

THE DAILY CALLER

The budget deal is a huge Republican cave-in

By: Chris Edwards – December 11, 2013

Republicans in Congress have put in a dismal fiscal performance in 2013. The party could not come together to defund the disastrous Obamacare law. No progress was made tackling entitlements or eliminating programs. Republicans joined with Democrats to move ahead the wasteful farm bill. And the year began with a large income tax increase.

Yesterday, Republican leaders reached a discretionary spending deal with the Democrats for 2014 and 2015 that blows up the 2011 Budget Control Act. That Act had been the GOP's only major spending accomplishment in years.

The 2011 Act and related sequester have been bearing fruit and providing discretionary spending control the last two years. Now Republican leaders are throwing it away in return for revenue increases and spending trims that are mainly tiny and phony. The largest trim is a health care provider reduction that is supposed to take place a decade from now. Why should anyone consider that a real cut given that party leaders showed with this deal that they could not even stick to the BCA cuts for more than two years?

Before the new agreement, current law set discretionary spending at \$967 billion in 2014. The new budget deal would raise that cap to \$1.012 trillion, which is a spending hike of \$45 billion. Why would Republican leaders agree to that? They're the ones who always claim that it's the Democrats who are the big spenders. America's Founders planned for the House to be the body defending the people from a big-spending Senate and president, but today's House is completely falling down on the job.

On paper, the new budget deal only lifts current spending caps for 2014 and 2015, and the caps in later years remain in place. The problem is that appropriators of both parties never sleep; they are not going to go into hibernation for the next decade contented with current spending limits.

Instead, it's a sporting challenge for appropriators to try and raise spending every single year. The ten-year numbers mean nothing to them — especially now that they know Republican leaders will probably cave in easily next time. That's why Rep. Paul Ryan's comment yesterday that the new deal "reduces the deficit" is meaningless. The deal does not reduce the deficit this year — it hikes it \$45 billion, give or take some change in the unlikely event first-year savings do materialize.

If this deal is enacted, a precedent will have been set, and the big spenders in both parties will sadly gain even more clout going into future budget negotiations. Blowing through existing budget caps by \$45 billion this year could set the stage for spending hundreds of billions of dollars more over the coming decade.