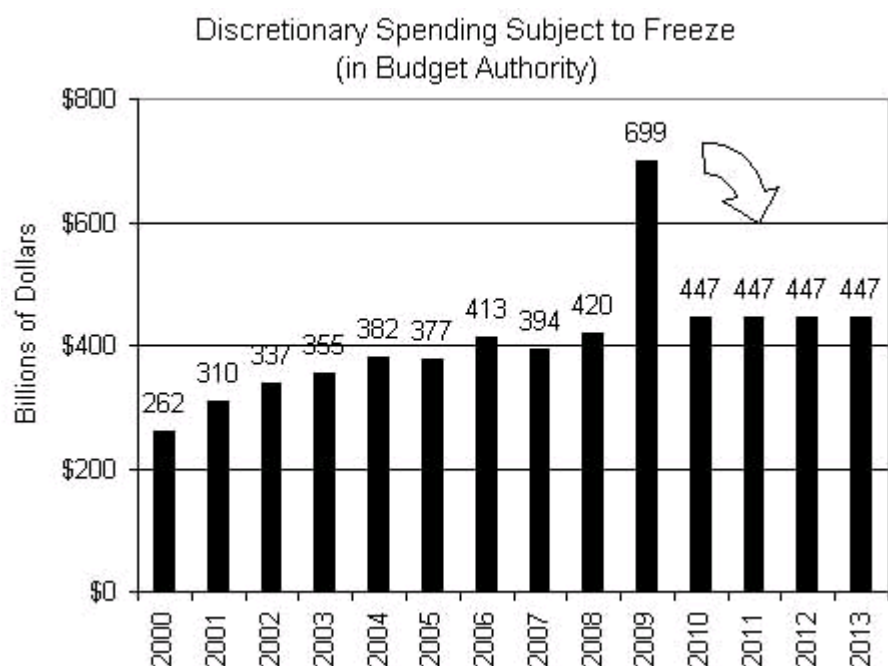


<http://reason.com/blog/2010/01/27/discretionary-spending-is-a-di>

Discretionary Spending Is a Dish Best Served Frozen?

Peter Suderman | January 27, 2010

Cato's Chris Edwards puts President Obama's proposed spending freeze in context with a handy chart and an explanation of how little fiscal restraint it's likely to require:



Edwards explains:

The first thing to note is that the portion of the budget to be frozen grew 60 percent between 2000 and 2008, during a period of low inflation. And since this portion of spending excludes defense, homeland security, and veterans affairs, it has nothing to do with the reponse to 9/11 or various foreign wars.

Then comes 2009 and the massive “stimulus” bill, which pushed up spending on this part of the budget to \$699 billion. Finally, the figure shows the freeze at \$447 billion, which is 71 percent higher than the level of authorized spending in 2000.

Here’s the important point: a very large part of the 2009 spending spike of \$699 billion will be sloshing forward into 2010 and later years. (As illustrated by my fancy arrow in the chart). The new CBO budget estimates (Table A-1) show that only 18 percent of authorized stimulus funding will be spent in 2009, with the rest sloshing forward.

Obama is "freezing" the budget only because he already has a large amount of cash floating around from the stimulus bill that he can spend on all his favorite big government projects in 2010 and beyond.

As a political gambit, it may help win over a few voters, and it'll certainly play well with Washington's cadre of oh-so-serious fiscal centrists—the *Washington Post's* famously budget conscious editorial board is treating this as a tasty appetizer and asking for more—but it's not a move that's likely to limit the White House agenda in any significant way. Indeed, liberal outrage at the proposal has already forced the White House's economic team to respond with some delightfully message-muddling rhetorical coddling for the unhappy progressive base—effectively saying that although it's *technically* a spending freeze, it's not *really* a spending freeze, and in fact, if you look at it in the right light and shake it around a little bit, it's actually kind of a hike, or something!

It's sad, really: What has our great nation come to when the White House doesn't even have the courage to stand behind its cynical political backpedaling? I don't know about you, but I could sure use a reminder of what it's like for an influential politician to say "freeze" and genuinely mean it.

Matt Welch and Nick Gillespie both got to spending-freeze skepticism before I did. I was there third!