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In a party of big spenders, Manchin's \$1.5 trillion limit is a lowball bid

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Only in Washington could spending \$1.5 trillion be considered the conservative position.

Sen. Joe Manchin III's ceiling for spending in a budget bill would be the biggest single price tag of any spending bill in U.S. history. It is equal to the Trump tax cuts, is double the cost estimate for Obamacare when it passed in 2010 and dwarfs the 2003 Medicare prescription drug bill.

Yet liberal activists and fellow Democrats on Capitol Hill are villainizing Mr. Manchin, West Virginia Democrat, for lowballing what they want to spend.

Sen. Bernard Sanders, the Vermont independent who serves as chairman of the Senate Budget Committee, said Mr. Manchin is sabotaging hopes for a massive overhaul of the country's social welfare programs, including proposals for tuition-free college, paid family leave, more child care payments and dental care for Medicare beneficiaries.

“Does Sen. Manchin really believe that seniors are not entitled to digest their food and that they’re not entitled to hear and see properly?” Mr. Sanders said. “Is that really too much to ask in the richest country on Earth — that elderly people have teeth in their mouth and can see and can hear?”

Liberal lawmakers say they are already compromising with the \$3.5 trillion plan and would prefer to spend more. Mr. Sanders’ original proposal was \$6 trillion, which he said was “probably too little.”

Chris Edwards of the libertarian Cato Institute said the numbers show how far the spending debate has shifted.

“The Democratic Party has moved wildly to the left over the last two decades,” Mr. Edwards said. “It is remarkable, really.”

Spending has been a rare area of bipartisanship in Washington over the past decade. Although Republicans and Democrats fight over abortion, immigration, defense policy, Supreme Court nominations and online privacy, they have found common ground in digging deeper into Americans’ pockets.

Even before the pandemic, the government was on track for trillion-dollar annual deficits for the foreseeable future. The deficit, worsened by COVID-19, increased to a record \$3.1 trillion in 2020 before retreating to \$2.8 trillion for fiscal year 2021, which concluded on Sept. 30.

President Biden insists he can find enough tax revenue to cover whatever Democrats want to spend, and he has signaled hopes for a deal in the \$2 trillion range.

Mr. Manchin isn't so certain. He said American businesses and investors can afford only about \$1.5 trillion more in taxes before they crumble under the burden.

He and Sen. Kyrsten Sinema of Arizona are the only Senate Democrats who have refused to fall in line with Mr. Biden's plan. Fellow Democrats are grappling with the major hurdle they have raised.

Activists are lashing out against Mr. Manchin and Ms. Sinema. Some of them even chased Ms. Sinema into a bathroom in Arizona to demand that she relent.

Sanders supporters at Our Revolution, a political nonprofit, said Ms. Sinema's moderate label is misleading. They say she "holds wildly unpopular positions that are completely out of line with the will of the voters that elected her to office."

The irony is that Mr. Manchin and Ms. Sinema have not been shy about signing off on government spending.

Both senators voted this year in favor of the \$1.9 trillion coronavirus relief package, a budget resolution that included \$1 trillion in discretionary spending, and \$550 billion more in transportation funding.

Last year, they joined most of their colleagues supporting the \$2 trillion Coronavirus Aid, Relief and Economic Security (CARES) Act and a \$900 billion pandemic relief package.

Brian Riedl, a senior fellow at the Manhattan Institute, said Barack Obama was elected to the White House on a promise of \$1 trillion in additional funding, yet “today \$5 trillion in new spending is enough to get you purged as too conservative.”

“Historically speaking, even a \$1.5 trillion spending bill would be one of the biggest spending plans enacted in decades,” Mr. Riedl said.

It wasn’t long ago that Congress struggled with hashing out deals that were far less expensive. Mr. Riedl said Congress in 2003 “tore itself apart over whether to spend \$400 billion over 10 years” to add a prescription drug program to Medicare. The bill passed after Republican leaders delayed a vote for three hours to do some epic arm-twisting, sparking accusations of vote-buying.

Mr. Biden’s plans dwarf that fight.

At \$3.5 trillion, his spending plan would exceed the annual gross domestic product of France and come close to Germany’s \$3.8 trillion economy.

Even Mr. Manchin’s slimmed-down target is bigger than Spain’s \$1.3 trillion economy and those of 23 of the other 26 nations in the European Union.

Fiscal hawks warn that entitlement programs almost always cost more than projected.

The cost of Social Security has gone from \$28 billion in 1940 to \$1.1 trillion. The cost of Medicare has gone from \$94 billion in 1967 to \$776 billion.

If Mr. Manchin holds firm on his spending limit, Democrats will either have to jettison parts of their wish list or turn to budget gimmicks to hide the true costs of their plans.

One option, which both parties regularly use, is to fund popular policies for only a few years and count on Congress to come through with extensions before the programs expire.

The House version of the budget bill calls for four years of a revamped child tax credit.

Democrats figure Congress would never let the credit expire after 2025. That extension would cost roughly \$750 billion more for the final six years of the budget window.

“Democrats are purposely putting expiration dates on policies that have the most bipartisan support and [are] almost guaranteed to be extended regardless of who runs the White House or Congress in 2025,” Mr. Riedl said. “Republicans in 2025 are not going to vote to take away the child tax credit at that point from suburban families that might be their voter base.”