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Warren's plans to fix America require \$5 trillion in new taxes -- just for starters

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Democratic presidential candidate Elizabeth Warren has churned out scores of plans to fix America, and almost all of them require cracking the federal checkbook wide open.

Her campaign's estimates of the cost of the proposals, which include free child care and overhauling election systems, total more than \$5 trillion over a decade. That sum does not include other high-priced items on the liberal wish list such as "Medicare for All" government-run health care.

It appears that Ms. Warren is just getting started.

She has made "I have a plan for that" the catchphrase for the campaign. She rolls out spending proposals on an almost weekly basis.

The Washington Times' tally of a \$5 trillion price tag did not include the cost of fully implementing a "Green New Deal" environmental makeover of the U.S. economy, estimated at between \$52 trillion and \$93 trillion, or Medicare for All, estimated at between \$28 trillion and \$32 trillion.

Ms. Warren backs those pricey proposals to varying degrees but has not provided detailed plans for either. She has proffered a "Green Manufacturing Plan" that would cost \$2 trillion, which she described as a down payment on a Green New Deal.

Unlike most of her rivals, Ms. Warren has coupled her plans with ways to pay for them. The tax hikes for the ultra-rich and corporations that she has proposed would net an estimated \$5.8 trillion over the next 10 years, according to her campaign.

The additional tax haul is more than enough to cover her spending spree so far.

Fact check groups determined that Ms. Warren inflated some of the tax revenue estimates. The Poynter Institute's PolitiFact found that the amount gained from repealing some of the 2017 Republican tax cuts was closer to \$1 trillion, not the \$1.5 trillion stated by Ms. Warren.

Other critiques of her tax plans warned that the wealthy will maneuver to avoid the higher tax bills, thereby decreasing the windfall for the Treasury.

"Some people will say we can't afford this plan. That's nonsense," Ms. Warren, a senator from Massachusetts, said when rolling out her \$1.25 trillion proposals for tuition-free college and cancellation of most the mountain of student debt.

Ms. Warren also wants to spend \$700 billion on universal free or reduced-cost child care, \$518.5 billion to bolster federal housing programs, \$231.9 billion to boost rural health care and broadband services, and \$153.5 billion to help farmers.

Her college plan and other high-priced proposals would be paid for with an “ultra-millionaire tax” that she says would raise \$2.75 trillion in a decade from a 2-cent annual levy on every dollar of wealth over \$50 million, according to the campaign.

The tax on wealth, which targets assets such as jewelry and real estate rather than income, has become an applause line on the stump. Crowds spontaneously break out in chants of “two cents.”

Indeed, these plans for taxing and spending have helped propel Ms. Warren to the front of the Democratic race. She jockeys for second place with self-identified socialist Bernard Sanders behind Joseph R. Biden, who is more moderate.

“It is obvious that her plans are gaining her support, but there is a lot more time and scrutiny that will go on before she becomes the nominee,” said Democratic strategist Joe Trippi. “Part of that will be how do you pay for it and how do you make it work.”

He said there were bigger questions than how to pay for massive new programs.

“All of these plans, regardless of how much they cost, are not going to get through the Senate,” Mr. Trippi said. “This is one of the reasons I think Joe Biden still has the lead. A lot of Democrats think he is right that we are not going to be able to get all this stuff. We need someone who has had some success working across the aisle, and he’s proven on that front.”

Where does Ms. Warren get the numbers in her proposals?

The Warren campaign includes an economic team culled from Harvard and Yale that crunch the numbers. The campaign also taps into studies from think tanks such as the Dusseldorf Institute for Competition Economics in Germany and the W.E. Upjohn Institute for Employment Research in Michigan, according to a Politico report.

For the cost of student debt relief, Ms. Warren cited an analysis of her plan by four social policy professors at Brandeis University. They came up with \$640 billion over a decade.

Add in the campaign’s estimate of \$610 billion for free tuition at two- and four-year public colleges and universities, and the total reaches \$1.25 trillion.

Outside groups have not disputed the cost estimate for her college plan. However, an analysis by Lindsey M. Burke, director of education policy at the conservative Heritage Foundation, suggested that it likely would drive up the cost of “free tuition” paid by the federal government and disproportionately benefit wealthier families.

Other plans derive their price tags solely from the level of spending promised by Ms. Warren. Her three-part Green Manufacturing Plan pledged \$2 trillion over 10 years on green research, manufacturing and exporting.

It includes a \$400 billion “Green Apollo Program” for clean energy research and development, a \$1.5 trillion “Green Industrial Mobilization” to purchase American-made green products for the federal government, and a \$100 billion “Green Marshall Plan” to prod other countries to buy U.S. green technology.

Ms. Warren noted that an independent analysis by Moody's projected that much of the cost of the plan would be covered by her proposed "real corporate profits tax," which would raise \$1 trillion in a decade by eliminating exemptions and raising rates.

In another analysis, Moody's looked at the broader economic effects from Ms. Warren's green scheme and estimated it would add \$700 billion to the nation's budget deficit over 10 years.

Regardless of how you add it up, Ms. Warren is a big spender.

"Sen. Warren's idea that the federal government should spend trillions of dollars more than already budgeted in the years ahead is absurd. The federal budget is already on a collision course with disaster," said Chris Edwards, director of tax policy studies at the libertarian Cato Institute and editor of the blog Downsizing the Federal Government.

He said Ms. Warren's spending plans are empowered by years of overspending by both Democrats and Republicans in Congress, who have racked up the current \$22 trillion national debt.

"The current trajectory of spending \$1 trillion a year more than revenues will end in an economic and fiscal crisis," he said. "Warren's unhinged spending advocacy is like what happens at the peak of a stock market frenzy. The orgy will end in a financial and economic crash that will particularly harm the less-well-off families that Warren and other members of Congress claim to defend."

Jared Bernstein, an economist at the Center for Budget and Policy Priorities, said there was nothing unrealistic about Ms. Warren's proposals from the perspective of meeting her goals.

"A lot of what Sen. Warren proposes really resonates with me in the senses of diagnosing what's wrong and prescribing solutions to the scale of the problems. But implementing them assumes a highly functional federal government, and I think it's fair to say we're not quite there these days," said Mr. Bernstein, who served on the economic team for the Obama White House.