

Senator Jon Kyl, sequestration, and the economy

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In an article published last evening, *Politico* <u>outlined</u> how Republican senators are pushing back against the sequestration "cuts" in defense spending that are supposed to begin next year. Senate Minority Whip Jon Kyl (R-AZ) included in his argument the potential economic pitfalls of these changes to defense spending, citing a recent Congressional Budget Office <u>report</u> that says spending "cuts" set for next year – combined with the tax increases set to be enacted next year – would harm the economy's growth by about 3.9%.

While there are many arguments for not cutting defense spending, I do not believe Senator Kyl's is a convincing one. First and foremost, smart cuts (especially in<u>waste, fraud, etc.</u> in the Pentagon) could easily eliminate fifteen percent from defense spending without harming our national interests or the ability of the troops to conduct missions. And while I am in agreement with <u>Senator Tom Coburn (R-OK)</u>and <u>The Heritage</u> <u>Foundation</u> that sequestration's form of defense cuts are *not* smart cuts, Kyl's choice to oppose cuts on the behalf of the economy seems more ideological than economical. After all, Kyl has strongly supported significant spending reductions (including the House-passed <u>Cut, Cap and</u> <u>Balance proposal</u>) in the past, and <u>introduced</u> legislation with Senator John McCain (R-AZ) earlier this year to reduce the deficit by \$110 billion through federal worker pay freezes and federal work force reductions. He also made <u>a strong statement</u> on the Senate floor in April 2011 in which he said the following:

And it is the private sector that creates jobs. What we need to do is spend less government money – not only to get ourselves out from under this huge debt burden, but to allow the private economy to have the resources to grow...

An argument against sequestration can be made a variety of philosophically-consistent grounds, and Republicans (including Kyl) have

made many of them. But given what he <u>said</u> in 2011 about Medicare spending reductions via eliminating wasteful spending, Kyl should actually support smart defense cuts:

At a Sept. 13 hearing of the <u>deficit-reduction Super Committee</u>, several lawmakers singled out Medicare's wasteful spending as one way to save a significant sum without gutting popular entitlements. "We can save on Medicare without cutting benefits," Sen. Jon Kyl, R-Arizona, said, citing a Cato Institute study on fraud and waste.

Senator Kyl has led Senate Republicans against the Democrats and their wishes to cut defense spending, and my disagreement with his stance does not diminish my respect for his generally consistent position on defense spending. However, his comments yesterday leave me with two important questions:

- 1. Why did Senator Kyl vote for the Budget Control Act which enacted sequestration given the CBO's claims for years that even moderate spending reductions would harm economic growth?
- 2. How do the economic impacts of defense spending cuts differ from spending reductions or cuts in the rest of the federal government?

I reached out to Senator Kyl's press secretary this morning via phone and e-mail regarding these questions, but received no response to either message.