



The GOP's fiscally conservative frauds

Published: Thursday, January 06, 2011, 9:11 PM Updated: Friday, January 07, 2011, 10:03 AM



By **Susan J. Demas**

"I don't think I have one off the top of my head. But there is no part of this government that should be sacred." -- New U.S. House Speaker **John Boehner** (R-Ohio) when asked to name a government program we could do without



To paraphrase GOP former state Senate Majority Leader Ken Sikkema, Republicans hate raising taxes, but they hate cutting spending even more.

The newly gavel-wielding speaker of the U.S. House nicely demonstrated that maxim, first by throwing a hissy fit last month over raising taxes on billionaires to pay down the debt. And this week, John Boehner was stumped by Brian Williams' inquiry as to a single government program that we could all live

without.

Alas, Boehner is not alone in his confusion. U.S. Rep. Paul Ryan (R-Wisc.), long considered the heir to intellectual conservatism, also declined this week to name specific programs on his target list.

"I can't tell you by what amount and which program, but all of it is going to be going down," he **sputtered** on "The Today Show."

The deficit loomed large in the last election, with Republicans winning the argument that they would tame the beast created by President Obama and his free-spending Democratic posse.

But as the **free-market Cato Institute** notes, Obama has been falsely blamed for exploding the deficit to \$1.4 trillion in 2009. That was mostly the fault of George W. Bush, notes the think tank that's hardly in the tank for Obama. How did the Republican do it? How about two wars, massive tax cuts, No Child Left Behind and the biggest expansion of an entitlement program since the 1960s with Medicare Part D?

Hard to remember, but when the last Democratic president left office, there was a **budget surplus**.

Republicans ran on the idea that they're no longer the party of Bush. They had pledged to cut \$100 million in spending this year -- though not to anything that's really crimping the deficit like Medicare, Social Security or national defense. But they quickly backed away from that promise, and now it's looking like it will be

pared down to **\$30 billion or so**. President Obama already helped the GOP out last year by proposing a **federal employee pay freeze**.

The GOP also has dumped the fiscally responsible policy of "paygo" under the Democratic House, whereby any new spending had to be paid for. The GOP has introduced "cutgo," requiring any new spending with budget cuts somewhere else.

That sounds reasonable enough on the surface, but it's actually a recipe for deficit padding. That's because there's a **mighty big loophole** in that no tax cuts need to be paid for. That means that Republicans have **conveniently exempted some of their top priorities**, like proposals to permanently extend the Bush tax cuts and keep low estate tax rates.

Now Republicans can make the argument that tax cuts spur economic activity. But they still take a big bite out of federal (and state) budgets and magnify the deficit. This isn't propaganda from Chairman Mao. Former John McCain financial adviser Douglas Holtz-Eakin and former Bush Treasury Secretary Henry Paulson have both stated that **tax cuts don't pay for themselves**.

Tea Partiers must be pretty sore at these charlatans of fiscal conservatism.

Adding insult to injury, the new GOP House majority went on a spending spree. Repealing the new national health care reform law will explode the national deficit by \$230 billion by 2021, **according to the nonpartisan Congressional Budget Office**. (**Republican whining** about the CBO's analysis is the equivalent of yelling at the ump for your sucky pitching).

All of this reminds me of Michigan's budget debates in recent years. When it comes to bad fiscal news, we're always ahead of the curve.

Remember how hard it was to even get Republicans to chop the state budget? Some of them voted for the income tax increase in 2007. A majority of GOP senators pushed the green button to raise business taxes that year with the Michigan Business Tax (MBT) surcharge.

But it didn't stop there. Budget cuts were made in the coming years, but even from Republicans, **it was like pulling teeth**. And most GOP lawmakers gratefully voted to spend every dollar of the \$7 billion in federal stimulus the president threw our way, despite grumbling that it was all a socialist plot.

Maybe that's why former Sen. Gilda Jacobs, the new head of the Michigan League for Human Services (MLHS) **believes** it will be hard for the new Republican-controlled Legislature to slash the safety net.

"It's very easy for legislators when they're running for office -- and believe me, I know, I've been through this -- to promise all sorts of things until you see the reality of what we're talking about," Jacobs said. ". . . I just think that when the reality of what those budget cuts would look like, I think that legislators are going

to say, 'Well, wait a minute. This is going to really impact the people living in my district.'"

There are signs that Michigan Republicans might be willing to make unthinkable cuts and even stop spending on job creation measures, however. One of the last votes the Legislature took in December was a bill for **21 university and community college building projects**. It wasn't an immediate hit to the budget, but the state will eventually finance \$383 million of the economic development projects.

Lawmakers usually fall over themselves to bring home the bacon to their districts. But not one Western Michigan House member voted for \$75 million for Grand Valley State University, Grand Rapids Community College and the Grand Rapids campus of Ferris State University. And new Rep. Mike Shirkey (R-Jackson County) wasn't interested in supporting a \$20 million project for Jackson Community College.

"The first rule of holes is to stop digging and, right now, we have an opportunity to throw the shovel in the hole and start anew," Shirkey **declared**. "And I can guarantee you that a good portion of my friends that got elected will be here in a few short weeks and agree with me."

That could mean that the new breed of Michigan Republicans will shed their fiscal hypocrisy. Now what they're willing to do to turn the economy around is a different story.

Susan J. Demas is a political analyst for Michigan Information & Research Service. She can be reached at sjdemas@gmail.com.

© 2011 MLive.com. All rights reserved.