

Newsweek

Feeding The Beast

Will the Tea Party really trim spending?



by [Ezra Klein \(/authors/ezra-klein.html\)](/authors/ezra-klein.html) September 20, 2010



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Rand Paul speaks to a group of Young Republicans in Kentucky.

Remember the good old days, when Washington cared about deficits? I do. That's when President Obama signed an executive order forming a commission to consider spending cuts, tax hikes, and other reforms to balance the budget. Sen. Mitch McConnell opposed that commission, but he seemed equally concerned: "Most Americans would say the real emergency here is a \$13 trillion debt."

The good old days, of course, were only a few months ago. But now Washington is faced with the terrifying prospect of actually reducing the deficit, and suddenly debt isn't such an emergency after all. The Republicans are proposing to increase the deficit by about \$4 trillion in extending all the Bush tax cuts. The Democrats are countering with an offer to increase the deficit by a bit more than \$3 trillion in extending the cuts only for people making less than \$250,000 a year. Look at those numbers again: \$4 trillion and \$3 trillion. That's vastly more deficit spending than the stimulus, the bank bailouts, the health-care bill (which actually reduces the deficit), and everything else we've done in the past few years combined.

Enter the Tea Parties. “Runaway deficit spending ... compels us to take action as the increasing national debt is a grave threat” to sovereignty, reads the mission statement of the Tea Party Patriots, the movement’s largest umbrella group. A spokesman for Rand Paul, a Tea Party favorite who captured the Republican nomination for Senate in Kentucky, assured the Daily Beast that Paul would “vote against and filibuster any unbalanced budget proposal in the Senate.”

But will Tea Parties, when it comes down to it, really be any different from the Republican Party that serves as their uncomfortable home? As of yet, there’s little sign of it. Take Paul. The *Lexington Herald-Leader* asked him if the Bush tax cuts should be fully extended. “Absolutely,” he said. “The money is not the government’s. It is ours.” The problem, though, is that we, as a democratic society, granted the government the power to tax that money and spend it on things we thought were important, like national defense and Social Security. If you take revenues away but you don’t cut spending, you get deficits. And the Tea Party hates deficits. So how would Paul pay for the tax cuts? Well, it’s a secret, at least for now. Paul told the *Leader* “he couldn’t spell out a proposal to do that before the Nov. 2 election.” In the meantime, the proposal put forward by the Republican leadership doesn’t pay for itself. Will Paul vote against it—will he, in fact, filibuster his own party—unless the GOP adds \$4 trillion in spending cuts in the next decade?

Paul isn’t alone. Christine O’Donnell, who scored the upset in Delaware, rails against deficits but says she believes we “absolutely” have to extend the Bush tax cuts. How will she pay for them? “Waste,” of course. Anyone who’s been around Washington for even a day or two will be familiar with that dodge.

In 2006 William Niskanen, the former chairman of the libertarian Cato Institute, published an influential paper titled “Limiting Government: The Failure of ‘Starve the Beast.’ ” In it, he critiqued the conservative idea that cutting taxes now would “starve” the government of revenue, and thus force it to reduce spending. The reality, he said, was the opposite. If politicians found they could cut taxes without paying for it, they realized they could increase spending without paying for it, too. Between 1981 and 2005, tax cuts led to more, rather than less, spending. The other problem with the theory, Niskanen wrote, was that it let Republicans off the hook. The belief that you could cut taxes without reducing spending had “substantially reduced the traditional Republican concern for fiscal responsibility.”

This, finally, is the choice that faces the Tea Parties as they send their members to Washington. Democrats and Republicans have both embraced the idea that tax cuts don’t need to be paid for—and it produced “runaway deficit spending.” But politicians didn’t make those decisions because they loved deficits. They did so because fiscal responsibility is hard and unpopular.

Right now, the Tea Parties are riding a bad economy, attaching themselves to all sorts of candidates (Paul is a libertarian; O’Donnell is a Christian conservative), and enjoying a run of good press. But what happens when they have to govern; when their friends disappoint them; when some among their number want lower deficits and lower taxes, and they don’t want their Social Security benefits cut, either? That’s when we’ll see if these guys are really something new in American politics, or just more of the same weak tea.