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# The Imaginary Age of Austerity

by [Hans Bader](#) on October 18, 2011 · [0 comments](#)

in [Economy](#), [Politics as Usual](#), [Stimulus to Nowhere](#), [Zeitgeist](#)

Like an obese person who complains that he hasn't eaten in hours, supporters of big government complain about mythical "austerity" even when the government grows at a rapid rate.

On September 13, economist Paul Krugman claimed in his *New York Times* "Conscience of a Liberal" blog that "austerity programs are now the rule everywhere." Endorsing the Occupy Wall Street protests, the liberal *San Jose Mercury News* claimed on October 13 that "President Obama and the Democrats have dithered as the tea party hijacked the political conversation. They acquiesced to a misdiagnosis of our core problem (too much government) and the prescription to cure it (austerity)."

This "austerity" exists only in the fantasies of the "progressive" mind. As [The Wall Street Journal notes today](#), federal spending is at record levels, even though "this is said to be a new age of fiscal austerity":

The federal government recently wrapped up its biggest spending year, and its second biggest annual budget deficit . . . spending a cool \$3.6 trillion. . . What happened to all of those horrifying spending cuts? Good question. CBO says that overall outlays rose 4.2% from 2010 . . . The bigger point: Government austerity is a myth.

Amazingly, the New York Times' Krugman [called Obama a "small spender."](#) (Obama's unprecedentedly-large budgets have been significantly bigger [than Bush's](#).)

Obama wants to increase spending so much that even the liberal U.S. Senate, which has voted for increase after increase in federal government spending, has so far balked at passing his so-called "American Jobs Act." That Obama administration bill is a [costly, wasteful set of recycled](#) stimulus proposals that contains billions in new spending to subsidize overpaid public employee unions, and billions more for failed government "job-training" programs that actually do nothing to train people for real-world jobs and instead [teach welfare recipients and young people bad work habits](#) and how to obtain welfare. (Loopholes in government welfare programs allow their benefits to be collected by clever people who are not needy and game the system, like [wealthy people who are eligible](#) for food stamps due to their lack of liquid income. Food stamp use is at record highs, with a [record 46 million Americans on food stamps](#), although this is mostly a reflection of the bad economy, rather than the growing problem of food-stamp fraud; [fraud has skyrocketed](#), though, as states have been prevented from cracking down on due to obstruction by the Obama administration.)

Obama misleadingly talks about fiscal restraint even as he proposes policies that would result in massive spending increases. For example, his most recent budget request increased spending while pretending to cut it. As Cato Institute economist Chris Edwards [pointed out](#), although Obama claimed it cuts spending,

His new budget proposes slightly *more* discretionary and entitlement spending for next year than did his last budget!

- Last year, Obama planned to spend \$1.301 trillion on discretionary programs in FY2012, but now he plans to spend \$1.340 trillion.
- Last year, Obama planned to spend \$2,107 billion “on entitlement programs in FY2012, but now he plans to spend \$2,140 billion.”

Similarly, the *Wall Street Journal* called Obama’s budget proposal “[cynical and unrealistic](#),” since it pretends to cut spending over the long run, but openly “increases deficits *above* the spending baseline for the next two years.” *The Atlantic*’s Megan McArdle, who voted for Obama in 2008, called Obama’s budget proposal “[disastrous](#).” She noted that his proposed budget included phony, “sketchily outlined cuts,” and short-term patches that are “stacked to expire just after Obama (in theory) gets reelected” and that self-proclaimed “‘fiscally responsible’ Democrats have given us the largest peacetime deficit in history, one that keeps growing beyond all expectations.

AOL News notes that for all the [talk of cuts](#), “President Barack Obama’s 2012 budget proposes to spend \$3.48 trillion on everything except interest on the national debt. That’s a 7 percent *increase* over what the government spent in 2010. And keep in mind that in 2010, there was a lot of stimulus money flying out the door.”

Even *The Washington Post*, which endorsed Obama in 2008 and has not supported a Republican for President since 1952, said Obama’s budget was [full of “gimmickry](#),” and called Obama the “Punter-in-Chief” for failing to address America’s looming budget problems.

Liberals not only believe in an imaginary age of austerity in the present, they also believe in imaginary past ages of austerity. Although Herbert [Hoover doubled government spending](#) in the Great Depression, ran up [big budget deficits](#), and increased government controls on the economy, like the [1930 Smoot-Hawley Tariff](#), *The New York Times*’ Krugman falsely claimed that Hoover made the decision “[to slash spending . . . in the face of the Great Depression](#),” in a January 23, 2009, op-ed.