

# DAILY COMMERCIAL

## In Washington, saying no to spending is hard

Kevin Ferris

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President Donald Trump seems to think Americans are willing to take no for an answer from the federal government, though recent history suggests otherwise.

As he has been hearing loud and clear since he announced his budget proposals this month, many Americans are apoplectic at his plans to cut federal spending, including \$13 billion (16 percent) from the Department of Health and Human Services; \$11 billion (29 percent) from the State Department; \$9 billion (14 percent) from the Education Department, and \$2.4 billion (31 percent) from the Environmental Protection Agency. Thousands of federal jobs are at risk.

Even Ronald Reagan, vilified for his attempts to scale back the federal government, only managed to slow its growth during his eight years in office. In fact, as noted in his book "Never Enough: America's Limitless Welfare State," what author William Voegeli calls the "human resources" part of the budget grew by 0.90 percent during the 1980s.

The last president who was able to regularly say no when it came to budget requests — and followed through — was Calvin Coolidge, the vice president who became chief executive after the death of Warren Harding in August 1923.

In her biography of the 30th president, Amity Shlaes shares a view of the new boss by Secretary of State Charles Evans Hughes:

"Whereas he had never found Harding alone, Coolidge was often by himself with his papers and cigar. Hughes was so struck by the difference that he would write down what others merely discussed: Harding tended to say yes when you went into his office; with Coolidge by contrast the answer was almost always no. Coolidge's nos, Hughes guessed, would stick; unlike Harding, he had the temperament for it."

He wasn't always alone. Coolidge, worried about the size of the federal debt and insistent that the government take as little from taxpayers as possible, had weekly meetings with his budget director to look for more savings. "Together, the new president and his budget director cut, and then cut again," Shlaes writes.

A strong believer in a limited federal government, Coolidge said no to farm subsidies and more funding for the Postal Service. He cut requests for flood control, even in the wake of epic

flooding in the Ohio and Mississippi River valleys. He cut veterans' pensions, highway improvements, the Bureau of Indian Affairs. The number of federal workers declined.

For Coolidge, a government that took less from the American people and spent less would result in greater overall prosperity. The results were impressive.

"Altogether, spending and taxes were cut 50 percent during the 1920s, and about 30 percent of the national debt was paid off. There were budget surpluses throughout the 1920s. Unemployment fell to 1.8 percent, the lowest U.S. peacetime level in more than 100 years," Jim Powell of the Cato Institute wrote in an op-ed for the Washington Times. The national debt fell from 26 percent of gross domestic product to 16 percent, and GDP grew an average of 3.5 percent while Coolidge was in office.

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The flamboyant Trump and taciturn Coolidge wouldn't seem to have much in common — though "Silent Cal" would likely thrive in a communications universe limited to 140 characters. Plus, their Washingtons are vastly different, with federal spending doubling in almost every decade since the Roaring '20s.

When Coolidge and his budget director met for their weekly sessions, they handled spending plans free of entitlement programs — the first, Social Security didn't begin until 1935. They didn't have to contend with government employee unions. And the U.S. military was not the guardian of liberty across the globe, as it became after World War II. So the considerable cuts Coolidge made to domestic spending could have a real impact, on the budget and the economy.

Trump's proposed cuts would no doubt have an impact on certain federal agencies and their clients, but those programs are not the drivers of the budget. Entitlements and the debt are.

"Social Security, Medicare, and Medicaid are so large and growing that they are on track to overwhelm the federal budget," the Heritage Foundation reports. "These major entitlement programs, together with interest on the debt, are driving 85 percent of the projected growth in government spending over the next decade. ... The major entitlements and interest on the debt are on track to devour all tax revenues in fewer than 20 years."

Federal debt was 39 percent of GDP in 2008, 75 percent in 2016, and, with no changes, is projected to be 86 percent in 10 years and 141 percent by 2046, according to the Congressional Budget Office.

Long before he was House speaker, Paul Ryan was warning Americans about the looming fiscal crisis and pushing for entitlement reform that would save the programs but do no harm to current retirees or those close to receiving benefits. But even suggesting reform can be politically risky and, as Ryan learned, is easily demagogued.

A president willing to say no, take risks and look beyond the current budget cycle, could change that equation. If he has the temperament to follow through.