

NATIONAL REVIEW

Will the Next Speaker Enforce Sequestration?

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Whoever emerges from the current chaos to become the next House speaker, one of the first issues he or she will have to deal with is funding the federal government for the remainder of the current fiscal year. It won't be easy, but the choices made will tell us a great deal about the new speaker's priorities and whether the revolt against the GOP leadership has actually changed anything in Washington.

As usual, Congress has been unable to pass the required appropriations bills that would fund the government until October 2016. Therefore, in what has become an annual ritual, Congress passed a stop-gap continuing resolution funding the government through December 11.

Passing another funding bill will not be a simple task. The media are fixated on threats by some Republicans to defund Planned Parenthood, a poison pill that will provoke a Democratic filibuster in the Senate and, if it gets that far, a presidential veto. But a much bigger question is whether Congress will abandon one of its few recent successes, the discretionary spending levels imposed by the Budget Control Act of 2011 (BCA) and sequestration.

To date BCA and sequestration have reduced federal spending by at least \$200 billion from what it would have been under pre-sequester baselines. That's a substantial savings for taxpayers and a major factor in helping to reduce our budget deficit to just (just!) \$435 billion in FY 2015. That's not to say that federal spending is under control. Sequestration does not apply to the entitlement programs that are the big drivers of the federal budget. Total federal spending continues to rise.

But without sequestration and the budget caps it would have been much worse. As Michael Barone has written in the *Washington Examiner*, "The hold-down of federal spending was accomplished by the sequester procedure which has stayed in place now for four years. It's not the optimal way to form a budget. But if your goal is holding down spending . . . the sequester has been very effective."

Last week, however, the Senate passed the National Defense Authorization Act, the Pentagon's funding bill. It circumvented the established caps by allocating an extra \$89.2 billion for Overseas Contingency Operations (which is not subject to the caps), \$38 billion above the president's request. In his weekly radio address President Obama said that he would veto the defense bill, and all other spending bills, unless Republicans agreed to increase the amount of domestic spending. "If Congress wants to support working Americans and strengthen our middle class, they can pass a budget that invests in, not makes cuts to, the middle class," the president said in a statement last month. "If they pass a budget with shortsighted sequester cuts that harm our military and our economy, I'll veto it. If they make smart investments in our military readiness, our infrastructure, our schools, public health, and research, I'll sign that budget."

If Republicans give in to the president's demands, it will mean the end of sequestration and a return to spending as usual. But if Republicans refuse, it means a government shutdown with all its attendant theater and bad press. President Obama has already made clear his intention to blame the Republicans for a shutdown resulting from his veto, saying in that same weekly address that if Republicans don't agree to higher spending, "they'll shut down the government for the second time in two years."

This makes it all the more important that the next House speaker be able to hold together the squabbling Republican caucus. Moreover, the new speaker must be media savvy enough to counter Obama's message.

Unfortunately, it already looks like Republicans are negotiating their surrender. According to *The Hill*, "A source close to [Senate majority leader Mitch] McConnell said he hopes to secure a deal to increase discretionary spending for defense and nondefense programs in exchange for reductions to mandatory spending." This would be a repeat of the December 2013 budget deal between potential House speaker Paul Ryan and Democratic senator Patty Murray that weakened sequestration in 2014 and 2015. That deal increased spending by \$62 billion in exchange for promises of future deficit reduction. Like Charlie Brown facing Lucy's latest promise to hold the football, Republicans have repeatedly seen how that plays out.

The real problem is that too many Republicans don't really want to cut spending any more than the Democrats do. They just want to spend the money on different things. This makes for the sort of compromise where we spend more on everything, and everyone goes away happy — except for taxpayers.

Potential candidates for speaker should tell us now how they plan to overcome this tendency.

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