



## **Trump's red-ink budget deal is abominable**

Donald Lambro

July 29, 2019

WASHINGTON -- The debt-ridden budget deal reached by President Trump and big-spending House Democratic leaders has red ink stamped all over it.

It will blow a hole in the debt ceiling and destroy what little remains of the budget's discretionary spending caps.

"The budget deal reached by congressional leadership is another disgrace that will leave the American taxpayer to foot the bill," Freedom Works President Adam Brandon said this week.

"The deal ... would explode these (spending) caps by more than \$320 billion over the next two years at a time when the national debt looms above \$22 trillion," the leader of the fiscally conservative organization said in a blistering statement Tuesday.

But wait, Brandon's understandable rage is just getting started. "Washington has all but abandoned economic sanity. With this 'deal,' GOP 'leadership' has ceded ground on fiscal responsibility, which for years was supposed to be a core tenet of the party."

That this two-year, debt-ridden monstrosity was worked out between the White House and the Democrats is bad enough, but Trump, of all people, is praising it up one side and down the other.

"I am pleased to announce that a deal has been struck with" liberal Senate Democratic leader Charles Schumer and Speaker of the House Nancy Pelosi, Trump tweeted Monday. "This was a real compromise," the president added.

Is this the kind of compromise Trump's supporters voted for in the last presidential election? I don't think so, nor does a lengthy line of hard-core conservative organizations that condemned Trump's deal in the past week.

"President Trump has worked hard in his budget to restrain Congress' unending desire to spend, but we can't support this spending deal," said the president of the Club for Growth, David McIntosh.

"We hope President Trump will reject the budget-busting deal from Speaker Pelosi" and his own Treasury secretary, Steven Mnuchin, "and we are encouraging our members to reach out to their elected officials in Congress to oppose this bill."

"We also hope President Trump gives Secretary Mnuchin a copy of (Trump's) 'The Art of the Deal' so that he will not be as weak and give in to liberal demands in future negotiations," McIntosh said in his statement.

Many other warriors against reckless federal spending hikes expressed similar outrage over the budget deal that Trump has wholeheartedly embraced.

Maya MacGuineas, president of the Committee for a Responsible Federal Budget, was one of them.

"As we understand it, this agreement is a total abdication of fiscal responsibility by Congress and the president. It may end up being the worst budget agreement in our nation's history," she said.

It should be acknowledged that the federal government's debt is significantly higher now than it was when Trump was sworn into office.

"The debt has grown from about \$19 trillion when Trump took office to more than \$22 trillion this month," The Washington Post reported Tuesday.

The interest on its loans will amount to more than \$350 billion this year.

The answer to getting our fiscal house in order is to not only cut discretionary spending, "but entitlement reform as well," says Freedom Works' Adam Brandon.

"It's incredibly cynical to frame this deal as positive," he said this week. "After all, anyone who knows anything about Washington understands that all too often behind the facade of bipartisanship lurks reckless spending that puts fiscal sustainability, and therefore America national security, at risk."

Michael Tanner, senior fellow at the conservative CATO Institute, reminds us that Trump once declared himself the "king of debt," saying "I love debt." Tanner adds, "he must, since he wants to create so much of it."

Asked how he'd deal with the mounting debt, "Trump initially said, 'I would borrow, knowing that if the economy crashed, you could make a deal' to pay bondholders less than full value on the debt owed to them," Tanner writes.

But the U.S. "is neither Greece nor one of The Donald's businesses," he explains. Just the hint of a default would create havoc in our economy and send interest rates through the roof. "It would be like the last economic crisis on steroids."

Meantime, with federal revenues lower than expected this year, the budget deficit "will also certainly be higher than expected," Tanner warns.

With our national debt "likely to reach \$29 trillion by 2026, this is not good news," he says.