

NATIONAL REVIEW

Congress's Lack of Fiscal Restraint Hurts Taxpayers

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With the divisiveness of tax reform now hidden behind the closed doors of a conference committee, Congress has returned to the only thing that restores bipartisanship on Capitol Hill: spending money.

After pushing the deadline off for another two weeks, Congress must now act by December 23 in order to avoid the by-now-routine threat of a partial government shutdown. That means we should expect the usual threats and predictions of disaster, all just in time for the holidays. Current reporting suggests that Congress is likely to gather the courage to extend the deadline all the way to mid-January, just in time for us to go through it all a second time. The ongoing kabuki theater would have long since become a bore if it were not so likely that taxpayers are about to once again pay the price.

Most of the public fighting will be over non-budgetary issues, including Democratic demands that some sort of protection for undocumented “DREAMers” be included in a continuing resolution. But behind the scenes, there is far more agreement. The big question will be how much to exceed the all-but-moribund sequester caps on domestic and defense spending. Republicans are demanding an increase in military spending of roughly \$54 billion above the sequester cap. Democrats appear more than willing to go along, if they receive a comparable increase in domestic spending. (Republicans have offered an increase in domestic spending of \$37 billion above the cap.) The Democratic plans would increase spending by roughly \$200 billion, while Republicans seek to hold that down to a mere \$182 billion.

But even that may not be enough. The White House and some defense hawks are reportedly seeking an even bigger increase in defense spending, as much as \$70 billion above the cap in 2018 and \$80 billion in 2019. That would put total defense spending at more than \$619 billion next year, the highest level since 2012.

Once Congress decides on how much to increase spending, it can finally get to work determining how to spend that money. None of the twelve annual appropriations bills have been passed yet, so we can expect January to bring another massive, pork-filled omnibus appropriation. Indeed, we may well see a repeat of the “cromnibus,” which combined both the CR and the omnibus spending bill. Is this any way to run a government?

The 2017 budget deficit is now expected to hit a devilish \$666 billion. That's up more than \$80 billion from last year. The Congressional Budget Office predicts that we will return to the era of trillion-dollar deficits by 2022. The national debt is expected to rise from the current \$20 trillion to more than \$30 trillion by 2027.

And none of these projections account for the effects of the Republican tax plan. Even with a predicted increase in economic growth, the plan could push the deficit over \$1 trillion as soon as next year, according to the Committee for a Responsible Federal Budget.

That tax cut, especially on the business side, is long overdue, and we should never fall into the trap of believing that our money somehow belongs to the government. Still, without commensurate reductions in spending, cutting taxes does nothing to shrink government or reduce its cost. It's a recipe for long-term economic stagnation.

Regardless of where one falls on the political spectrum, one should expect two things from government: basic competence and a healthy respect for the taxpayers' money. Sadly, Congress is failing once again in both regards.

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