

Enough of it! Stop the federal spending spree

By Tad DeHaven

7:12 p.m. Monday, June 7, 2010

Runaway federal spending has emerged as the chief issue on the minds of voters heading into the fall election season — and for good reason.

In 2000, the federal government spent \$1.8 trillion while debt held by the public stood at \$3.4 trillion. A mere decade later, the federal government is on pace to spend \$3.7 trillion while publicly held debt is approaching \$10 trillion.

There's no blame game left to be played. President George W. Bush left office having presided over one of the largest expansions of federal spending in history.

President Barack Obama appears intent on pulling off the amazing feat of making Bush look like a relative tightwad.

And Congress has become so addicted to spending that the new Capitol Visitor Center — itself a \$600 million fiscal boundoggle — might need to be converted into a giant methadone clinic.

So what hope do taxpayers have left?

On the Democratic side of the aisle, it appears that there isn't any. While the European welfare states are beginning to collapse under their own weight, the Obama administration and Democrat-controlled Congress are pushing the U.S. full steam ahead toward a similar fate of unsustainable social welfare spending.

Obama's latest budget would push publicly held debt as a percentage of GDP to 90 percent by 2020 — a height last seen at the end of World War II.

Back then the ending of hostilities and a post-war economic boom led to a steady and precipitous drop in the debt as a share of the economy.

In the present day, it is entitlement spending that's driving the debt explosion. Unfortunately, the president's expansion of the government's role in health care will exacerbate the problem, despite the administration's claims otherwise.

Meanwhile, House Democrats just pushed through another \$102 billion in spending for allegedly "stimulative" activities. The measures "only" add \$54 billion to the deficit, thanks to \$48 billion in tax increases.

For their part, Republicans are getting pretty good at halfheartedly objecting to the Democrats' spending orgy. But at a time when citizens are warning both parties to stop their fiscally profligate ways, Republicans need to do more than just say "no." They need to point out the underlying problems with federal spending — for example, that continuing to extend unemployment benefits helps keep unemployment high.

But Republicans, just as much as their Democratic counterparts, are afraid of offending potential voters by threatening to take away their subsidies.

Republican lack of credibility on cutting spending can be seen in the House Republican leadership's new YouCut Web site. Each week the Web site lists five possible spending cuts for citizens to vote on. The "winning" cut proposal then goes to the House floor for a vote.

Engaging citizens in the government's spending crisis is a good idea. The problem: the cuts the Republican leadership has selected thus far are minuscule.

For instance, one item recently proposed for cutting was \$1 million in mohair subsidies. In the world of federal agriculture subsidies, this cut represents chump change.

Republicans can't be considered serious about restraining the budget unless they put subsidies for wheat, corn, soybeans, rice and cotton on the chopping block.

The Republicans' anti-spending initiative has caught the attention of House Democrats. House Majority Leader Steny Hoyer recently told Democratic chairmen that they "all need to find some programs to cut."

Unfortunately, the paltry cuts offered up by the YouCut Web site allow the Democrats to keep the bar low when trotting out their own gimmicks.

While neither party's leadership offers taxpayers much hope of ending the spending madness, a few rank-and-file Republicans do appear to understand that their party needs to take bolder steps.

Rep. Paul Ryan (R-Wis.) has introduced a blueprint for reining in runaway federal entitlement programs. Rep. Lamar Smith's (R-Texas) SAFE Act would cap annual growth in the federal budget to inflation plus population growth. In the Senate, Tom Coburn (R-Okla.) has repeatedly offered measures to eliminate unneeded federal programs.

The Republican leadership needs to embrace these efforts, which would signal to apprehensive voters that the party is ready to atone for its big-spending ways of the past decade. Saying "no" to Obama and congressional Democrats' bankrupting policies is fine.

But Republicans need to recognize that voters understand the difference between having one's own agenda and simply being against the other guy's.

Tad DeHaven is a budget analyst at the Cato Institute and co-editor of downsizinggovernment.org

Find this article at:

http://www.ajc.com/opinion/enough-of-it-stop-543748.html