

www.chicagotribune.com/news/columnists/ct-oped-0731-chapman-20110731,0,2446596.column

chicagotribune.com

What the debt ceiling fight won't fix

Putting off the crucial decisions once more

Steve Chapman

July 31, 2011

The debt ceiling fight has been long and exhausting, but it will have a big payoff. After it's finally resolved — with the Boehner plan or the Reid plan or something else — we will have confronted our budget crisis, made tough choices and forced the federal government to live within its means.

advertisement



That's right. And I'm Katy Perry.

We have heard a lot lately about plans to slash spending by trillions of dollars. Though these sound like deep cuts, they are not even shallow cuts. Under the plans being discussed in Washington, federal spending would rise, and so would the federal debt — not by a little, but by a lot.

Consider Speaker John Boehner's blueprint, which envisions savings of some \$3 trillion over 10 years. The biggest chunk of savings comes from a cap on discretionary outlays, letting them grow as fast as inflation — meaning they would gobble up more dollars every year.

In real terms, they would remain just as high as they are now. Senate Majority Leader Harry Reid's version likewise allows federal departments to spend more each year to offset the effects of inflation.

All these "cuts" are modest reductions in the growth of outlays envisioned in President Barack Obama's budget, which would boost annual spending by 57 percent over the next decade. Everyone is talking about cutting the overall budget, without actually doing it.

Our leaders are not even saying exactly which programs will be trimmed. Neither party wants to reveal which constituents will lose their spots at the federal trough.

The publicized changes are mere promises to reduce projected spending — by some formula that we don't know, because it has yet to be determined. For that matter, there is no guarantee the cuts will ever happen.

Up to now, the fiscal pit bulls on Capitol Hill have done a lot more barking than biting. Chris Edwards, a fiscal policy analyst at the libertarian Cato Institute in Washington, points out that since gaining control of the House of Representatives, Republicans have shown no interest in abolishing anything.

"John Boehner has been in Congress for 20 years," laments Edwards. "Hasn't he ever seen an agency or

program that ought to be repealed?"

Whoever wins this battle, the government's sea of red ink will keep expanding. There is no general agreement on numbers, but the publicly held debt now stands at about \$11 trillion. Obama's budget would have pushed the total to around \$20 trillion by 2021. Under either the Boehner plan or the Reid plan, it would exceed \$17 trillion.

All this screaming and squabbling, and for what? A huge increase in the amount of borrowed funds that you and your descendants will have to repay.

Freshman Republicans in the House rallied behind the "cut, cap and balance" plan, but it amounts to yet another stack of alluring promises. The cuts, \$111 billion next year, are not itemized. Neither are the programs that would take a hit from the caps.

The "balance" refers to a constitutional amendment to ban deficit spending. But such an amendment — even in the very unlikely event it could be passed — wouldn't balance the budget. It would merely commit Congress and the president to approve cuts in spending or increases in revenue that would eliminate the fiscal gap.

It's not a solution. It's a promise to come up with a solution, somehow, someday.

Why not just devise a remedy now? Because lots of voters will lose interest in fiscal discipline once they realize it means tangible sacrifice on their part. They might even exact vengeance at the polls. Getting voters to endorse frugality is easy. Taking money out of their hands is not.

Nor are our elected leaders addressing the real source of the problem, which lies in three federal entitlement programs — Social Security, Medicare and Medicaid.

Even ostensible hardliners evade this reality. Judson Phillips, founder of Tea Party Nation, writes in *The Washington Post* that "Americans are tired of 'bridges to nowhere,' ferries to nowhere, neon light museums, cowboy poetry readings and cow flatulence studies."

But items like these make up a microscopic share of the budget. The big three entitlements, which Judson never mentions, account for 40 percent.

However the debt ceiling turns out, the essential decisions are off in the future. If the past is any guide, that's where they will stay.

[Steve Chapman](#) is a member of the Tribune's editorial board and blogs at chicagotribune.com/chapman

schapman@tribune.com Twitter @SteveChapman13

Copyright © 2011, [Chicago Tribune](#)