

Human Events^{ONLINE}™

House Conservative Leader: President Must Push for Spending Cuts

by Terence P. Jeffrey
Posted Dec 9, 2005

Rep. Mike Pence (R.-Ind.), chairman of the conservative House Republican Study Committee, says President Bush must become directly involved in seeking votes from wavering members of Congress if Congress is going to pass sufficient spending cuts this year to offset the massive federal expenditures made in the aftermath of Hurricane Katrina.

“I believe it has to happen,” Pence told the editors of Human Events. “I don’t believe we can achieve significant budget cuts and savings for the American people without the direct involvement of the President and the White House staff in the deficit-reduction legislation.”

Crucial Battle

The legislation is likely to come up for a vote before Congress adjourns for Christmas.

Pence said statements made by President Bush in the Rose Garden supporting spending cuts had been helpful but that the White House was not “fully engaged” when the Republican leadership squeaked out a 217-to-215 win last month on a vote for a bill requiring \$50 billion in cuts to mandatory spending programs over the next five years. (Mandatory programs include entitlements such as Medicaid, food stamps and student loans.) This narrow preliminary victory came only after the Republican leadership had pulled a provision from the bill that would have allowed oil and gas drilling in the Arctic National Wildlife Refuge. Some GOP moderates (as well as some coastal state conservatives wary of permitting drilling in ANWR because they oppose permitting offshore drilling near their own districts) objected to the ANWR provision.

Pence stressed that the \$50 billion in cuts to mandatory spending programs passed by the House is only the first installment in the cuts needed to offset the total cost of this year’s hurricane relief bills, which totaled \$62 billion. House conservatives, he said, want to get the additional \$12 billion by passing an across-the-board cut in discretionary spending for fiscal 2006. “House conservatives are not prepared to just bank the win of the \$50 billion savings in entitlements,” he said. “We want to reopen this year’s budget in the final appropriations bill and apply a 1%-to-2% across-the-board cut to make up the difference.

“The American people want fiscal discipline for Christmas,” Pence said.

But even if Pence and the 110 conservative House members who belong to the Republican Study Committee succeed in securing the full \$62 billion in cuts they are seeking now, it will only be a small initial step toward returning fiscal sanity to the federal government.

'Operation Offset'

David Walker, comptroller general of the United States, now estimates that, thanks to mandatory

spending programs, the federal government's long-term unfunded liabilities are \$46 trillion. The President's Medicare prescription drug plan, which was enacted by a Republican Congress in 2003 and which takes effect in January, added \$8 trillion in red-ink to the government's long-term ledger.

Many conservatives fear that if significant reforms in entitlement programs are not enacted soon, so-called "mandatory" federal spending will begin to squeeze out necessary spending on defense and homeland security and increase pressure for economic-growth-killing tax increases.

Pence said he recognizes the current fight over offsets for hurricane-relief spending is only the beginning of a long and crucial battle over the nation's fiscal direction. He likens the present effort to stopping a ship at sea that is sailing in the wrong direction—so that it can be turned around and headed back in the right direction.

Pence and the Republican Study Committee began their battle for spending cuts to offset hurricane spending at a September 21 press conference, where they launched "Operation Offset." The effort was inspired by then-House Majority Leader Tom DeLay (R.-Tex.), who had said at his September 13 press briefing that "after 11 years of Republican majority we've pared it [government spending] down pretty good." DeLay also said: "My answer to those who want to offset the [hurricane] spending is, sure, bring me the offsets, I'll be glad to do it. But nobody has been able to come up with any yet."

The RSC took DeLay at his word and, at a September 21 press conference, presented a list of potential spending cuts that totaled more than \$500 billion over 10 years, including a one-year delay in the Medicare prescription drug plan, which would have saved \$31 billion. The issue of Human Events that went to press the next day featured a cover story by Pence ("Spending Cuts Must Pay for Relief") outlining the conservatives' proposal.

Although the White House flatly rejected any delay in the Medicare drug plan, Bush did appear to embrace the overall RSC proposal at an October 4 press briefing in the White House Rose Garden. "Congress needs to pay for as much of the hurricane relief as possible by cutting spending," Bush said. "I'll work with members of Congress to identify offsets and to free up money for the reconstruction efforts. I will ask them to make even deeper reductions in the mandatory spending programs than are already planned. As Congress completes action on the 2006 appropriations bills, I call on members to make real cuts in non-security spending."

Now, Pence says, Bush's direct help will be crucial for House conservatives when the bill carrying the \$50 billion in cuts in mandatory spending emerges from a House-Senate conference committee. The Senate-passed version of that bill includes only \$35 billion in mandatory spending cuts. But, unlike the House bill, it includes a provision allowing oil and gas drilling in ANWR. If the conference report comes back to the House with the full \$50 billion in cuts, plus the ANWR provision, Pence believes it is likely to pass only with the direct, active support of the President.

'Force of Nature'

"What was very clear to us in moving this bill that included some \$50 billion in savings was that in order to achieve 218 votes in the House on a conference report that includes ANWR we needed more artillery than we had on House passage," said Pence, who supports ANWR drilling. "We needed the direct and personal engagement of the President of the United States, which I had urged."

Pence said that although Bush has rarely intervened to secure passage of legislation, when he has done so it has been decisive. "This President is a force of nature on Capitol Hill," said Pence. "And to his credit those gale-force winds blow rarely. But when they blow, they have great effect."

Pence said that House and Senate conferees are likely to compromise between the \$35 billion in mandatory spending cuts approved by the Senate and the \$50 billion approved by the House. He thinks, however, that the final number will be closer to the House's \$50 billion. Whatever it is, he said, House conservatives will push to get the full \$62 billion in cuts needed to offset hurricane spending by adjusting the size of an across-the-board cut in discretionary spending.

"Our position as House conservatives," said Pence, "is that whatever number we achieve in mandatory savings will tell us how much we have to achieve in the final appropriations bill in an across-the-board cut."

Pence said he has reason to believe Bush will act to help the conservatives achieve their goal. "It has been intimated to me repeatedly that when we get to the conference committee report on the deficit reduction act, and I would presume when we get to the final appropriations bill, that we can expect much greater participation by the President and White House staff."

Copyright © 2005 HUMAN EVENTS. All Rights Reserved.