Senate Passes $1.1 Trillion Spending Bill

The Senate on December 13 passed a mammoth omnibus spending bill variously described as costing $447 billion or $1.1 trillion, depending on whether "mandatory" spending for programs such as Medicare and Social Security were included in the tabulation. The Senate vote completed congressional action, sending the legislation to the President for his signature. Dozens of federal agencies received average budget increases of 10 percent.

Critics of the bill noted that thousands of earmarks were included. According to the watchdog group Taxpayers for Common Sense, the spending bill features more than 5,200 disclosed lawmaker earmarks worth $3.9 billion. Republicans are playing this up to highlight the Democrats' willingness to keep spending even as the House considers at least a $1.8 trillion hike in the federal debt limit. However, the $3.9 billion in earmarks comprises less than one-half of one percent of the total cost of the bill.

"It is business as usual, spending money like a drunken sailor, and the bar is still open," declared Senator John McCain (R-Ariz.) during debate on the bill. The issue of unspent bank bailout funds also arose, and Republicans are pushing for that money to be put toward deficit reduction while Democrats want to spend it on job creation.

Democrats have been quick to point out that they are not alone in bearing the blame for excessive spending. They pointed to President George W. Bush, who came into office with a budget surplus. By the time he left the White House, his administration had turned the surplus into a deficit. Additionally, during the 12 years the GOP was in control of Congress, earmarks and spending steadily grew.

As an answer to the deficit, Democrats are negotiating to include limits to future deficit spending with the debt-limit increase they are seeking. They are also focusing on using government spending to strengthen the economy and create jobs, which they claim would have the byproduct of boosting federal tax revenue.

Christina Romer, chairman of the White House Council of Economic Advisers, stated on the December 13 edition of NBC's *Meet the Press* that it would be "suicide" for the government to prioritize deficit reduction over job creation. Obama spoke in a similar tone at the Brookings Institution last week, and many Democrats in Congress agree.

"The number one thing you need to do to improve the economy and improve the deficit is put people back to work," said Representative Chris Van Hollen (D-Md.), chairman of the Democratic Congressional Campaign Committee. House Democrats are expected this week to advance a more than $70 billion plan for funding unemployment benefits, food stamps, Medicare, and COBRA health insurance.

The House jobs bill will be amended to the defense-spending bill, which will likely also feature an increase in the current debt limit of $12.1 trillion. The House has already approved an increase of approximately $900 billion. The Senate is distracted by the healthcare reform debate, but could still pass an increase before the end of the year.

"We are in a very special kind of economic situation and, frankly, jobs have to be the top priority, and every bill is going to be a jobs bill going forward," said Lawrence Summers, director of the National Economic Council, on ABC's *This Week*.

The Democrats certainly have a point that the Republicans can also be big spenders. However, it would be beneficial if the Democrats would consider alternative methods of job creation other than massive federal spending.

If the U.S. government would reduce taxes and regulations and extricate our nation from trade pacts that force American industry overseas, a great deal of job creation could take place without increasing the federal deficit one cent. Strict adherence to the U.S. Constitution is the simplest way to limit the size and scope of government, which has the byproduct of removing limits on the marketplace to create the jobs that are needed.