



More Proof the Budget Deal Was a Scam

Nearly a week after the budget deal in Congress was approved, Americans and analysts are still reeling over the proximity of a government shutdown, and even worse, the fraudulent nature of the supposed “savings” found in the deal. Conservative pundit Mark Levin (picture, left) called the budget deal a “historic scam,” while Joe Weisenthal of Business Insider went a step further, dubbing it a “gigantic fraud.”



Weisenthal, who analyzed the figures found in the deal, outlined by the *National Journal* via the Congressional Budget Office, determined that the total savings are nowhere near the touted \$38 billion. In fact, the *National Journal* indicates that the only way that figure can be reached is through gimmicks, and that the savings are closer to \$350 million.

National Journal [explains](#):

A [comparison](#) prepared by the CBO shows that the omnibus spending bill, advertised as containing some \$38.5 billion in cuts, will only reduce federal outlays by \$352 million below 2010 spending rates. The nonpartisan budget agency also projects that total outlays are actually some \$3.3 billion *more* than in 2010, if emergency spending is included in the total.

The astonishing result, according to the CBO, is the result of several factors: increases in spending, especially at the Defense Department; decisions to draw over half of the savings from recessions; and cuts to reserve funds and money for mandatory-spending programs that might never have been spent.

Commenting on the analysis, Weisenthal remarked,

Yesterday’s analysis showed that the savings were probably just half of the \$38 billion, since a lot of the savings came from not spending money that was never going to be spent...So yeah, total joke. This certainly doesn’t make it any easier for Tea Partiers to vote for the deal, or for Boehner to come up with another compromise when debt ceiling time comes.

Similarly, *National Review* scathingly [wrote](#) of the deal:

We initially supported the deal House Speaker John Boehner cut with the White House to cut \$38.5 billion from the rest of the fiscal year 2011 budget. It was only a pittance in the context of all of Washington’s red ink, but it seemed an acceptable start, even if we assumed it would be imperfect in its details. What we didn’t assume was that the agreement would be shot through with gimmicks and one-time savings. What had looked in its broad outlines like a modest success now looks like a sodden disappointment.



Written by [Raven Clabough](#) on April 14, 2011

The editors of *National Review* criticized the Speaker of the House for his failure to “reject business as usual,” a promise that he made throughout the midterm elections. “It’s one thing for Tea Party Republicans to vote for a cut that falls short of what they’d get if they controlled all of Washington; it’s another thing for them, after making so much of bringing transparency and honesty to the Beltway, to vote for a deal sold partly on false pretenses.”

Still, lawmakers touted the deal as a success since it allegedly avoided a government shutdown. However, as [noted](#) by *The Atlantic*, a government shutdown may not have been such a terrible thing:

Everyone in Washington agreed that shutting down the government would cause an uproar. Most people expected that it would be the Republicans who bore the most blame. But these conservatives believed exactly the opposite: that a shutdown would prompt frustrated Americans to demand much larger cuts. This in turn would give conservatives momentum and leverage not just on the current budget, but in the upcoming negotiations to raise the debt ceiling and reform entitlements.

A shutdown over the continuing resolution would have clarified who was right in this debate, without posing any real risk to the economy. But that of course didn’t happen, so nothing has been resolved. Instead, Washington has turned to the next big fight, where the stakes are much, much higher. If Congress fails to raise the federal debt limit, the government will default, which all parties agree would have catastrophic effects on the economy.”

One conservative operative seemed to recognize this when he told *The Atlantic*, “We’ve been pushing this fight because we believe we can win the public-relations battle. Unlike 1995, when Newt Gingrich shut down the government, we now have all these ways to amplify our message: the Tea Party, Fox News, the conservative blogosphere.”

The operative added, a bit woefully, “Our strongest leverage point was November 3, and every day after that we’re losing a bit of momentum. We feel if we don’t fight now, we won’t have any credibility with our constituents.”

Some hope remains, however, as debate over spending must be revisited when lawmakers approach the issue of the debt ceiling. A number of conservatives in both the U.S. House of Representatives and the Senate assert that they will refuse any raise to the debt ceiling. Others contend that they would not even consider raising the debt ceiling unless it was accompanied by significant cuts in spending.

One of the latter group is Sen. Marco Rubio (R-Fla.), a Tea Party favorite and a possible vice presidential contender for 2012. Rubio declared that he would oppose any expansion of the debt unless “accompanied by a plan for fundamental tax reform, an overhaul of our regulatory structure, a cut to discretionary spending, a balanced-budget amendment” and entitlement reform.

As the odds of any of those things happening before the United States reaches its debt ceiling on May 16 are slim, it seems the chances the debt ceiling will be raised are precarious.

Likewise, in March, Senate Minority Leader Mitch McConnell [told](#) Fox News Sunday, “My prediction is not a single one of the 47 Republicans will vote to raise the debt ceiling unless it includes with it some credible effort to do something about our debt.”



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