

Parsing the Clinton Budget

by Matt Kibbe

Independent Counsel Ken Starr has been hauling half the city of Washington, D.C. before a grand jury in hopes of catching the President of the United States in The Big Lie. Mr. Starr could save the taxpayers millions of dollars by simply walking down to the nearest government bookstore and picking up a copy of the President's fiscal year (FY) 1999 Budget. From a public policy perspective, no other document could be more incriminating.

Remember last year's budget deal, where Mr. Clinton promised the Republican Congress and the American people to limit so-called discretionary spending on domestic programs? His new budget breaks those spending caps by billions of dollars in each and every year of the agreement.

In other words, the president lied.

Am I being indelicate? After all, many of us never really expected the President to keep his word in the first place, because it was a promise built on a series of previous lies — some of them preceding the Clinton presidency. The spending limits established in the 1997 budget deal themselves broke the "caps" set in the 1993 budget deal, which shattered the caps created in 1990. The limits on discretionary spending, which replaced Gramm-Rudman enforcement, were supposedly well worth another broken promise by another president who had asked the American people to read his lips.

Mr. Clinton, of course, claims it's just not so; the budget deal promise he made just a few short months ago is still intact. But it's right there in black and white on page 343 of his own budget proposal. In 1999, Clinton spends \$4.8 billion more than he promised. [Ironic note: this does not include "emergency" funding of an additional \$2.4 billion, some to help finance the year 2000 computer conversion problem. Are we really expected to believe that the same White House that is busy building a taxpayer-funded bridge to the 21st century was caught completely unaware by the imminence of the turn of the millennium?] In 2000, the president spends \$8.4 billion more. In 2001, he exceeds the budget deal cap by \$10.2 billion and by another \$15.6 billion in 2002. If you don't believe me, look it up.

Better yet, ask Congressional Budget Office (CBO) Director June O'Neill. In her recent testimony before the House Budget Committee she confirmed that the President's budget does in fact break the budget caps. In this case, CBO is the controlling legal authority.

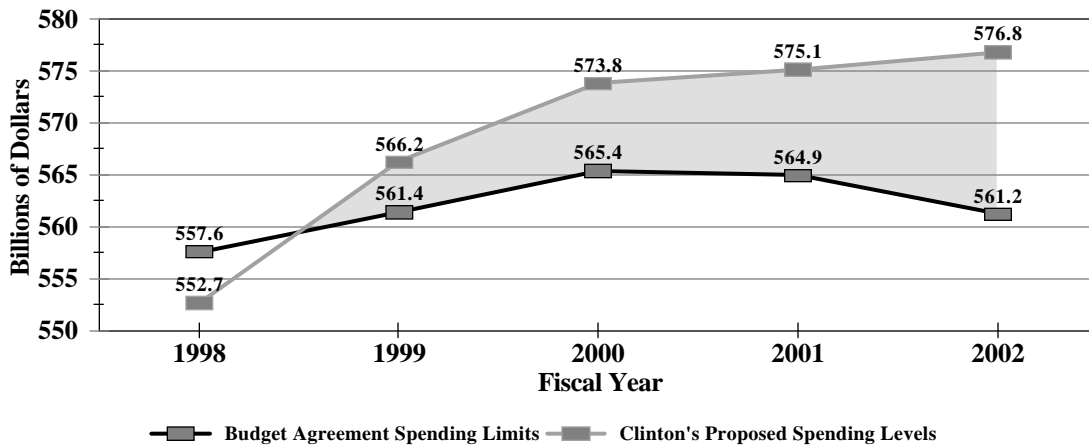
In the face of this seemingly indisputable evidence, the White House continues a strategy of "deny, deny, deny." The administration's budget director, Franklin Raines, does the best that he

can, arguing that the Clinton budget, “*after its offsets*, spends less than allowed by the discretionary caps” [emphasis added]. Parsing this carefully crafted statement made before the House Budget Committee, it is obvious that two things are going on. First, the President’s budget breaks the caps. Second, adding insult to injury, it does so in a way that violates both the intent and the legal fine print of the Budget Enforcement Act. You know, the law of the land.

Unfortunately, American taxpayers will foot the bill for this \$39 billion discretionary spending fib. Mandatory spending, which makes up the lion’s share of the federal budget, is also dishonestly expanded in Clinton’s budget by assuming an illusory stream of new revenue from the unreached (and probably unreachable) tobacco settlement. In total, the President asks taxpayers to fund 85 new spending programs and a total spending increase (above the bloated budget deal levels) of \$128 billion over the next 5 years. At a time when Treasury coffers are overflowing with unexpected new taxpayer revenues, it seems particularly criminal to fritter away billions in dollars that belong back in the hands of hardworking Americans.

Mr. Starr, if you are reading this, give me a call. I have a copy of the President’s budget, and I’m willing to testify. No subpoena required.

The 'Honesty Gap' In Clinton's Discretionary Spending



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