

HON. RON PAUL OF TEXAS BEFORE THE US HOUSE OF REPRESENTATIVES March 25, 2004

Oppose the Spendthrift 2005 Federal Budget Resolution

Mr. Speaker, I once again find myself compelled to vote against the annual budget resolution (HConRes 393) for a very simple reason: it makes government bigger. Like many of my Republican colleagues who curiously voted for today's enormous budget, I campaign on a simple promise that I will work to make government smaller. This means I cannot vote for any budget that increases spending over previous years. In fact, I would have a hard time voting for any budget that did not slash federal spending by at least 25%, a feat that becomes less unthinkable when we remember that the federal budget in 1990 was less than half what it is today. Did anyone really think the federal government was uncomfortably small just 14 years ago? Hardly. It once took more than 100 years for the federal budget to double, now it takes less than a decade. We need to end the phony rhetoric about "priorities" and recognize federal spending as the runaway freight train that it is. A federal government that spends 2.4 trillion dollars in one year and consumes roughly one-third of the nation's GDP is far too large.

Neither political party wants to address the fundamental yet unspoken issue lurking beneath any budget debate: What is the proper role for government in our society? Are these ever-growing social services and defense expenditures really proper in a free country? We need to understand that the more government spends, the more freedom is lost. Instead of simply debating spending levels, we ought to be debating whether the departments, agencies, and programs funded by the budget should exist at all. My Republican colleagues especially ought to know this. Unfortunately, however, the GOP has decided to abandon principle and pander to the entitlements crowd. But this approach will backfire, because Democrats will always offer to spend even more than Republicans. When Republicans offer to spend \$500 billion on Medicare, Democrats will offer \$600 billion. Why not? It's all funny money anyway, and it helps them get reelected.

I object strenuously to the term "baseline budget." In Washington, this means that the previous year's spending levels represent only a baseline starting point. Both parties accept that each new budget will spend more than the last, the only issue being how much more. If Republicans offer a budget that grows federal spending by 3%, while Democrats seek 6% growth, Republicans trumpet that they are the party of smaller government! But expanding the government slower than some would like is not the same as reducing it.

Furthermore, today's budget debate further entrenches the phony concept of discretionary versus nondiscretionary spending. An increasing percentage of the annual federal budget is categorized as "nondiscretionary" entitlement spending, meaning Congress ostensibly has no choice whether to fund certain programs. In fact, roughly two-thirds of the fiscal year 2005 budget is consumed by nondiscretionary spending. When Congress has no say over how two-thirds of the federal budget is spent, the American people effectively have no say either. Why in the world should the American people be forced to spend 1.5 trillion dollars funding programs that cannot even be reviewed at budget time? The very concept of nondiscretionary spending is a big-government statist's dream, because it assumes that we as a society simply have accepted that most of the federal leviathan must be funded as a matter of course. NO program or agency should be considered sacred, and no funding should be considered inevitable.

The assertion that this budget will reduce taxes is nonsense. Budget bills do not change the tax laws one bit. Congress can pass this budget today and raise taxes tomorrow- budget and tax bills are completely separate and originate from different committees. The budget may make revenue projections based on tax cuts, but the truth is that Congress has no idea what federal revenues will be in any future year. Similarly, the deficit reduction supposedly contained in the budget is illusory. The federal government always spends more in future years than originally projected, and always runs single-year deficits when one factors in raids on funds supposedly earmarked for Social Security. The notion that today's budget will impose fiscal restraint on Congress in the future is laughable- Congress will vote for new budgets every year without the slightest regard for what we do today.

Mr. Speaker, my colleagues have discussed the details of this budget ad nauseam. The increases in domestic, foreign, and military spending would not be needed if Congress stopped trying to build an empire abroad and a nanny state at home. Our interventionist foreign policy and growing entitlement society will bankrupt this nation if we do not change the way we think about the proper role of the federal government.