



The Daily Dish

(Part of) The Family Gets Together

DOUGLAS HOLTZ-EAKIN | JUNE 20, 2018

Eakinomics: (Part of) The Family Gets Together

The media loves the idea of comparing federal budgeting to a family sitting down and setting its financial priorities. Taking the analogy at face value, the family's a bit dysfunctional at the moment. Despite the fact that the [budgetary outlook](#) objectively ranges from dismal to dangerous, there has been no evidence of the family setting budgetary priorities thus far in 2018.

The House Budget Committee took a step forward yesterday, releasing the Chairman's draft of the budget resolution for fiscal year 2019 (which begins October 1, 2018). The committee will mark up the resolution today and tomorrow before voting on passage out of the committee.

Three cheers for the committee doing its job — it is the BUDGET Committee after all. It is a welcome contrast to some less dedicated entities.

In doing so, the committee had to face the \$12 trillion in deficits projected by the Congressional Budget Office (CBO) over the next 10 years, and the threat of debt rising to the level of 100 percent of gross domestic product (GDP). As [detailed](#) by AAF's Gordon Gray, the committee had to make some tough calls in order to get a budget to balance and the debt-to-GDP ratio on a downward trajectory. The resolution does not contain Tax Reform 2.0, or any other initiatives to reduce taxes. The resolution simply adopts the CBO assumptions regarding the revenue outlook. Doubtless many would much prefer to keep revenues lower, but balancing the budget is hard work.

The committee (obviously) had to take a hard look at spending, including writing instructions to reduce over \$300 billion in mandatory spending — “entitlements” in common language. This is a hot-button issue, but tackling entitlements is a critical piece of budgetary reality.

The House Budget Committee resolution may not find a way to pass both the House and the Senate. But it reflects a dedication to task that is admirable, and provides a stark reminder of the hard choices that Congress and the administration must face.