



The Daily Dish

“Skinny” is Just the Start of the Problem

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Eakinomics: “Skinny” is Just the Start of the Problem

Friday the White House [announced](#) it was delaying the release of its “skinny budget” for fiscal year 2022. In truth, this does not amount to much of significance. The planned announcement was limited to a single year of discretionary spending proposals. In principle, this would kick off the annual appropriations process; in practice, the administration can easily weigh in with the Appropriations Committees in the House and Senate.

What would be much more useful would be a real budget. A president’s budget normally contains not only the discretionary requests, but also the president’s revenue and mandatory spending proposals over the next 10 years (the current length of the budget window). That would be very useful in three ways. First, it would make clear just which parts of the American Rescue Plan (ARP) it intends to make permanent. Until it makes clear that it has no intention of letting the expanded child tax credit, earned income tax credit, premium tax credit, and other provisions sunset, it can continue the fiction that they somehow had something to do with COVID-19 and, thus, need not be paid for. In reality, they did not, and they do.

Second, it would put the revenue and spending in the American Jobs Plan (AJP) on an even basis. In the president’s speech and fact sheet, the administration conveniently focused on 8 years of spending and 15 years of increased revenue. That, conveniently enough, makes the proposal look a lot less like a budget buster. A real budget would mean real transparency.

Third, a budget would also contain the American Family Plan, the announced – but unspecified – sequel to the AJP. It has been made clear that it will have trillions of additional spending, but no hints about additional revenue. In voting on the AJP Congress deserves to know the whole picture so it can evaluate tradeoffs accordingly.

The other nice feature of a full budget is that it contains the administration’s economic outlook, and that outlook is constructed under the assumption that the president’s proposals are fully adopted. That is, the administration would have to make clear just how much economic growth it expects to get out of these proposals. Since the administration is promising a “rescue” followed by “jobs,” voters are entitled to know just exactly what that means in terms of economic growth, jobs, and wages over the next 10 years.

In short, given the welter of trillion-dollar proposals the administration has launched and is planning to launch, only a real budget could possibly combobulate me about the budget strategy and outlook. The administration’s radio silence on all these fronts leads one to suspect that it prefers to keep the public in the dark and discombobulated.