

By Paul Kane Analysis
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The deficit hawks are dead.

Their demise technically came Tuesday when the Congressional Budget Office calculated the federal deficit at \$895 billion for the first 11 months of fiscal 2018 — a stunning gap that was met with a collective shrug on Capitol Hill.

But the real death of the deficit hawks came late last year and early this year, as Republicans such as House Speaker Paul D. Ryan (Wis.) who had railed against deficits in the first years of the Obama administration pushed through a massive tax cut despite CBO projections of a surge in federal borrowing.

House Speaker Paul D. Ryan (R-Wis.) made a name for himself as a deficit hawk, but now has supported a tax plan and a spending bill that are ballooning the national debt. (Jenny Starrs/The Washington Post)

Given possible high ground on the issue, Democrats have largely fielded a crop of candidates across the nation who have ignored, played down or outright rejected the significance of the still-growing deficits.

The Democrats have, across all factions of their party, lambasted the Republican tax-cut legislation of December and the \$1.5 trillion shortfall it is estimated to leave in the budget over the next decade. But they have not attacked that as money that should go to the U.S. treasury to pay down the overall \$21 trillion debt. Rather, they have almost

universally pledged that the money be used for other federal spending, such as infrastructure or an expansion of the Affordable Care Act.

That's a far cry from 2006, when House Democrats marched toward a decisive midterm victory that thrust them into the majority. Then, their numbers were populated by fiscal conservatives in Southern and rural districts who pledged to cut the deficit, as well as antiwar liberals who wanted to bring troops home from Iraq at a time when the war was costing more than \$100 billion a year.

Some Democrats from that era acknowledge that the issue simply does not have as much resonance now, in large part because of the economic collapse that went into motion 10 years ago this week and the wage stagnation that followed years thereafter.

“When they write the history of this time, the financial collapse and the Great Recession is going to be the defining moment that changed the politics around a lot of these issues, around things like deficits,” said Rep. Joe Courtney (D-Conn.), a member of the 2006 Democratic class. Rather than worry about surging deficits, Democrats are pushing for ways to boost everyday life for working Americans, Courtney said. “That economic fragility that people felt in the wake of the Great Recession has kind of overtaken the fiscal-hawk sort of priorities,” he said. With Democrats not focusing on the issue, Republicans have been given a free ride with voters. A June survey by the Pew Research Center found a remarkable data point: Voters trust Republicans over Democrats, 41 percent to 35 percent, to do a better job with deficits.

In April, just 14 percent of Americans cited the deficit as the most important issue, according to the Kaiser Health Tracking Poll. Deficits trailed the economy (25 percent), health care (24 percent), gun issues (23 percent) and immigration (17 percent).

House Speaker Paul D. Ryan at a news conference Thursday. (Jacquelyn Martin/AP)

Ryan, a onetime preacher about the evil of debt, now brushes aside any questions about how annual deficits rocketed under his watch — from about \$430 billion in 2015, when he took the gavel, to almost \$1 trillion as he heads for the exit three years later.

“Revenues are up. The problem is a predictable one — it is spending,” Ryan said in a farewell event with Wisconsin news media Wednesday at the Capitol. He pinned the blame on Medicare and Social Security costs.

“It is baby boomers retiring, a country not prepared for it,” Ryan said. “It’s health inflation, and it’s the entitlement programs.”

This outrages the deficit hawks, most of whom have long since retired.

“History will show you there’s no country in history that’s been strong and free and bankrupt,” John Tanner (D-Tenn.), a co-founder of the Blue Dog Coalition who retired in 2010, told The Washington Post’s Erica Werner.

If Democrats retake the House in November’s midterms, it will be the first time in more than 70 years the majority has flipped without deficits or government overreach playing some key role in creating the backlash to the party in power.

In 1994, when Republicans won the House majority for the first time in 40 years, Newt Gingrich's troops campaigned against the emerging Clinton administration health-care plan, panned as "Hillarycare" for first lady Hillary Clinton, even though it never even got a vote in Congress. Once in power, Gingrich (R-Ga.) led a fiscal standoff over a bid to save \$270 billion from Medicare, ending in a government shutdown around the 1995 holidays.

The 2006 switch came as a reaction to the war. Dozens of Blue Dog Democrats, as the fiscal conservatives were known, went on to impose a House rule known as "PAYGO," a briefly held statute requiring offsetting cuts to any new spending.

And in 2010, as John A. Boehner's House GOP roared back to the majority, Republicans campaigned against the ACA as a pricey government takeover of the health-care system at a time of ballooning deficits. Most of the Democratic losers came from the Blue Dog caucus, drastically shrinking its influence.

Throughout 2011 and 2012, Speaker Boehner (R-Ohio) staged several fiscal showdowns with President Barack Obama that led to some modest deficit reduction, through spending caps on annual federal agency budgets and higher taxes on families with more than \$400,000 in income. Those deals were essentially scuttled by the December passage of the tax cuts and a subsequent budget blueprint that was a bipartisan binge for the House and Senate appropriations committees, which set defense and domestic agency spending.

If you want to rein in the debt, do not bother the

appropriators. “If you want to deal with deficits, you’re going to have to deal with entitlements. That’s where the spending is,” said Rep. Tom Cole (R-Okla.), a senior member of the House Appropriations Committee.

Some lawmakers predict that, eventually, the financial markets will force Congress into action.

“It’s not really just candidates who get to decide whether deficits matter or not,” Courtney said. “I think external forces are going to show up and change that.”

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Democracy Dies in Darkness