

# Republicans are coming for your benefits

By Paul Krugman

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Republicans don't care about budget deficits, and never did. They only pretend to care about deficits when one of two things is true: a Democrat is in the White House, and deficit rhetoric can be used to block his agenda, or they see an opportunity to slash social programs that help needy Americans, and can invoke deficits as an excuse. All of this has been obvious for years to anyone paying attention.

So it's not at all surprising that they were willing to enact a huge tax cut for corporations and the wealthy even though all independent estimates said this would add more than \$1 trillion to the national debt. And it was also predictable that they would return to deficit posturing as soon as the deed was done, citing the red ink they themselves produced as a reason to cut social spending.

Yet even the most cynical among us are startled both by how quickly the bait-and-switch is proceeding and by the contempt Republicans are showing for the public's intelligence.

In fact, the switch began even before the marks swallowed the bait.

During the Senate debate over the Tax Cuts and Jobs Act, Senator Orrin Hatch was challenged over support for the Children's Health Insurance Program, which covers nine million U.S. children — but whose funding lapsed two months ago, and has not been renewed. Hatch declared his support for the program, but insisted that “the reason CHIP's having trouble is because we don't have money anymore” — just before voting for a trillion-and-a-half-dollar tax cut that will deliver the bulk of its benefits to the richest few percent of the population.

He then went on to say, “I have a rough time wanting to spend billions and billions and trillions of dollars to help people who won't help themselves, won't lift a finger and expect the federal government to do everything.”

So who, exactly, was he talking about, and which programs are consuming these billions and billions and trillions?

Was he talking about food stamps, most of whose beneficiaries are children, elderly or disabled? (And many of the rest are working hard, just not earning enough to get by.)

Was he talking about the earned-income tax credit, which rewards only those who work?

Was he talking about Medicaid, which again mainly benefits children, the elderly and the disabled, plus people who work hard but whose jobs don't provide health benefits?

We can go on down the list. The simple fact is that big spending on people who “won't lift a finger” doesn't actually happen in America — only in Hatch's meanspirited imagination.

Now, to be fair, there are some people in America who get lots of money they didn't lift a finger to earn — namely, inheritors of large estates. Strange to say, however, Republican legislation would give these people much more — indeed, billions and billions of dollars — without requiring any additional effort on their part.

The House version of the big tax cut would eliminate the estate tax entirely; the Senate version would double the level of wealth exempted from the tax, to \$22.4 million for a couple. How can this be justified if it's supposedly hard to find money for children's health care?

Well, Senator Chuck Grassley explained it all last week: “I think not having the estate tax recognizes the people that are investing, as opposed to those that are just spending every darn penny they have, whether it’s on booze or women or movies.”

Hmm. Somehow, I don’t think limiting spending on booze, women, and movies (movies?) is going to be sufficient for the median American household — which had an income of \$59,000 last year — to end up with a \$22 million estate. And if you think of people who really will benefit from eliminating taxes on inheritance — people like, say, Donald Trump Jr. — one is not immediately struck by the notion that this is a reward for their fathers’ abstemious lifestyles.

The important thing to realize, however, is that the hypocrisy and contempt for the public we’ve seen in the past few days is just the beginning.

It has been widely noted that the tax bills enacted by the House and Senate are

remarkably unfriendly to the middle class — in fact, the Senate bill, once fully phased in, would actually raise taxes on a majority of middle-class families. But that observation captures only a small part of what is about to happen to ordinary, hard-working Americans.

For budget deficits are going to soar thanks to Republican legislation — probably by even more than the official scorekeepers say, because the legislation creates so many new loopholes. And offsetting those deficits will require going after the true big-ticket programs, namely Medicare and Social Security.

Oh, they’ll find euphemisms to describe what they’re doing, talking solemnly about the need for “entitlement reform” as an act of fiscal responsibility — while their huge budget-busting tax cut for the rich gets shoved down the memory hole. But whatever words they use to cloak the reality of the situation, Republicans have given their donors what they wanted — and now they’re coming for your benefits.