
Executive Summary

One of the most persistent claims about the 1980s is that Ronald Reagan and George Bush were responsible for the large budget deficits of that decade and the resultant national debt.

In reality, of course, both Congress and the administration share the responsibility. The problem is that the role that Congress played in deficit spending over 1982-93 is usually ignored. Congress often revises or entirely ignores White House budget requests, as with Reagan's "dead on arrival" budgets. Because of the persistence of this charge, we examine the question: Who was *most* responsible for the increase in the national debt, Reagan or the Congress?

Comparing the Reagan budget requests with the amount of spending Congress actually approved, we conclude:

- **Tax cuts had little to do with the explosion of the deficit.** The deficits of the 1980s are often blamed on the Reagan tax cuts of 1981. But the problem was not government income. Government receipts had almost doubled, rising from \$517 billion in 1980 to \$1.031 trillion in 1990.
- **Congress outspent Reagan in every year.** Congress typically savaged Reagan's spending requests as draconian and heartless. Then, the appropriators rewrote the budget for their priorities and spent a cumulative \$209 billion above Reagan's requests from 1982-1989.
- **Congress spent substantially more on entitlements than Reagan requested.** Reagan routinely asked for money-saving entitlement reforms. Congress ignored the reforms and increased benefits and eligibility for entitlements.
- **Reagan's budget requests for the military were consistently higher than the levels Congress appropriated.** Congress spent about \$80 billion less than Reagan requested on the military, but still spent around \$390 billion *more* on domestic programs.
- **Reagan rescission requests were ignored.** Reagan asked that \$43.4 billion of appropriated funds not be spent. Congress approved only \$16.5 billion, leaving \$26.8 billion spent.

These frustrations have also plagued almost all recent presidents. Congress spent almost a half-trillion dollars of deficit spending above the requests of presidents from 1976 - 1993.

- **Bill Clinton, on the other hand, is the first president in over twenty years who has outspent Congress.** During Clinton's first two years, the 103rd Congress spent \$54 billion less than Clinton requested. The 104th Congress spent \$58 billion less than Clinton asked.

While the Reagan administration certainly shares the blame for the national debt of the 1980s, having never submitted a true balanced budget, more of the blame rests with Congress. The deficit would have been an average \$30 billion lower each year if Reagan's requests were taken seriously.

Conversely, while Bill Clinton routinely takes credit for the shrinking deficit, Congress has been far more tight-fisted than the White House. Clinton now takes credit for deficit reductions caused by budgets he once said were "wrong for America." Had Congress approved all of Clinton's requests, recent deficits would be much higher, not lower.

"Congress typically savaged Reagan's spending requests as draconian and heartless."

"Bill Clinton is the first president in over twenty years who has outspent Congress."

WHOSE FREE LUNCH? The Truth About The “Reagan Deficits”

By: Stephen Moore and Michael A. Byrd

One of the most persistent claims about the 1980s is that presidents Ronald Reagan and George Bush were single-handedly responsible for ringing up the large budget deficits of that decade and the resultant increased national debt. President Clinton himself has frequently described Reagan and Bush as “the free lunch crowd”—the people responsible for “taking the national debt from \$1 to \$4 trillion.”¹

Both Congress and the administration share responsibility for the successes and failures of the 1980s. And while there is no doubt far too much emphasis on assigning blame in Washington rather than solving problems, because of the persistent charges against the Reagan-Bush years, it is necessary to review the spending patterns during those years to see whether Congress or the administration was most responsible for the increase in the debt.

The role that Congress played in deficit spending over the 1982-93 period is usually ignored, as if legislators were simply rubber stamps for presidential legislative requests and priorities. But Congress often substantially revises and sometimes entirely ignores White House budget requests—as was typical during the 1980s with Reagan’s “dead on arrival” budgets. Every dime of deficit spending of the 1980s was, of course, appropriated or otherwise approved by the legislature. The President can suggest and persuade, but he cannot force Congress to spend money against its will. The natural turf fights over the budget between the executive branch and Congress intensified in the 1980s and early 1990s because during that 12 year period, the executive branch and the House were controlled by different parties.

In assigning blame for the deficits in the 1980s, the real question is: Who was *more* responsible for the increase in the national debt, Reagan or the Congress?

One way to answer this question is to compare the Reagan budget requests with the amount of spending Congress actually approved. Would deficit spending have been higher or lower if all of the Reagan budget requests, spending rescissions, and vetoes had been approved? The answer is that spending would have been much *lower* if Reagan’s requests had been fully adopted by Congress.

This analysis shows that:

- If over the period FY 1982-89, Congress had complied with all of the Reagan budget requests, all of his deferrals, all of his rescissions, and sustained all of his vetoes of spending bills, the debt of the 1980s might have been one-quarter of a trillion dollars lower than it was.
- During the Reagan presidency, roughly 20 cents of every dollar of deficit spending was *exclusively* a result of Congress approving budgets above and beyond the amount that Reagan had requested. The remainder was the shared responsibility of the legislative and executive branches.

This finding contradicts the prevailing myth in Washington that Reagan actually requested larger budgets than Congress approved, which is true only if one solely examines appropriated items and excludes entitlement spending. Yet

“The role that Congress played in deficit spending over the 1982-93 period is usually ignored, as if legislators were simply rubber stamps for presidential legislative requests”

“...spending would have been much lower if Reagan’s requests had been fully adopted by Congress.”

omitting entitlements from the budget picture excludes half of overall federal spending and the very programs whose expenditures have expanded most rapidly since 1980, and most needed control.

This study also compares presidential budget requests versus actual spending of Congress from the presidency of Gerald Ford through Bill Clinton. The three central conclusions of this longer term analysis are:

“Bill Clinton is the first president in a generation to outspend Congress.”

- Congress outspent the White House under every president from Gerald Ford to George Bush. The total excess federal spending between 1976 and 1992 was \$485 billion. Over this same time period the federal government amassed \$2.8 trillion of debt. Roughly 17 percent of this increase in the national debt was a result of Congress spending more than presidential requests.
- Bill Clinton is the first president in a generation to outspend Congress. His budget requests have exceeded congressional spending by \$112 billion over the past four years.
- The 104th Congress has been substantially more tightfisted than President Clinton. The two budgets approved by the 104th Congress have spent \$56 billion below Bill Clinton’s budget requests. Moreover, President Clinton’s vetoes of entitlement reforms enacted by Congress in 1995 have added an estimated \$10 billion additional outlays that would have otherwise been canceled.

In sum, Reagan budgets were consistently lower than the final spending approved by Congress. Clinton budgets have been consistently higher than those approved by Congress.

The Evidence from the Reagan Years

In this section we compare the eight annual budget requests by President Reagan (for fiscal years 1982-89) with the amount actually spent each year by Congress. We also examine other pertinent fiscal outcomes in these years. The following six conclusions can be drawn from this analysis.

1. Tax cuts had little to do with the explosion of the deficit.

The deficits of the 1980s are most usually assumed to have been a result of the Reagan tax cuts of 1981. The evidence clearly refutes this myth, which reflects the error of assuming that because two things happened at the same time, one must have caused the other. In 1980 the federal government collected \$517 billion in receipts. In 1990 the federal government collected almost twice that amount, or \$1.031 trillion dollars.

“In fact, if federal revenues had grown in the 1990s at the same pace they did in the 1980s, the budget deficit would have been almost \$50 billion lower this year.”

In the seven years prior to the Reagan tax cuts (FY 1974-81), real federal revenues grew by 24.4 percent, with huge tax increases through “bracket creep” (a result of high inflation). This was almost exactly the revenue growth in the seven years following the Reagan tax rate cuts (FY 1982-89), when real federal receipts grew by 24.1 percent. And in the seven years following the Bush-Clinton tax hikes (FY 1990-97) real federal revenues will have climbed by only 19.3 percent. In fact, if federal revenues had grown in the 1990s at the same pace they did in the 1980s after the income tax rate cuts, the budget deficit would have been almost \$50 billion lower this year. [See Table 1 and Figure 1.]

REAL FEDERAL REVENUE GROWTH IN 1970s, 1980s, AND 1990s		
Year	billions \$1987	%Change
1974	611	
1975	587	-3.9
1976	585	-0.1
1977	644	10.1
1978	674	4.7
1979	719	6.7
1980	728	1.3
1981	767	5.4
Total Revenue Growth Before Reagan Tax Cuts:		24.4%¹
1982	738	
1983	684	-7.3
1984	730	6.7
1985	777	6.4
1986	790	1.7
1987	854	8.1
1988	877	2.7
1989	916	4.4
Total Revenue Growth with Reagan Tax Cuts:		24.1%
1990	914	
1991	895	-2.1
1992	895	0.0
1993	922	3.7
1994	982	6.5
1995	1,034	5.3
1996 ²	1,082	4.6
1997 ²	1,090	0.7
Total Revenue Growth After Bush-Clinton Tax Hikes:		19.3%

Table 1
REAL FEDERAL REVENUE GROWTH IN 1970s, 1980s, AND 1990s

¹ Adjusts for the change in the fiscal year in 1976, which added an extra quarter year to the 1974-1981 period.

² Congressional Budget Office, August 1996 revenue forecast.

Source: Historical Tables, *Budget of the United States Government*, Fiscal Year 1997. U.S. Government Printing Office, Washington, D.C.

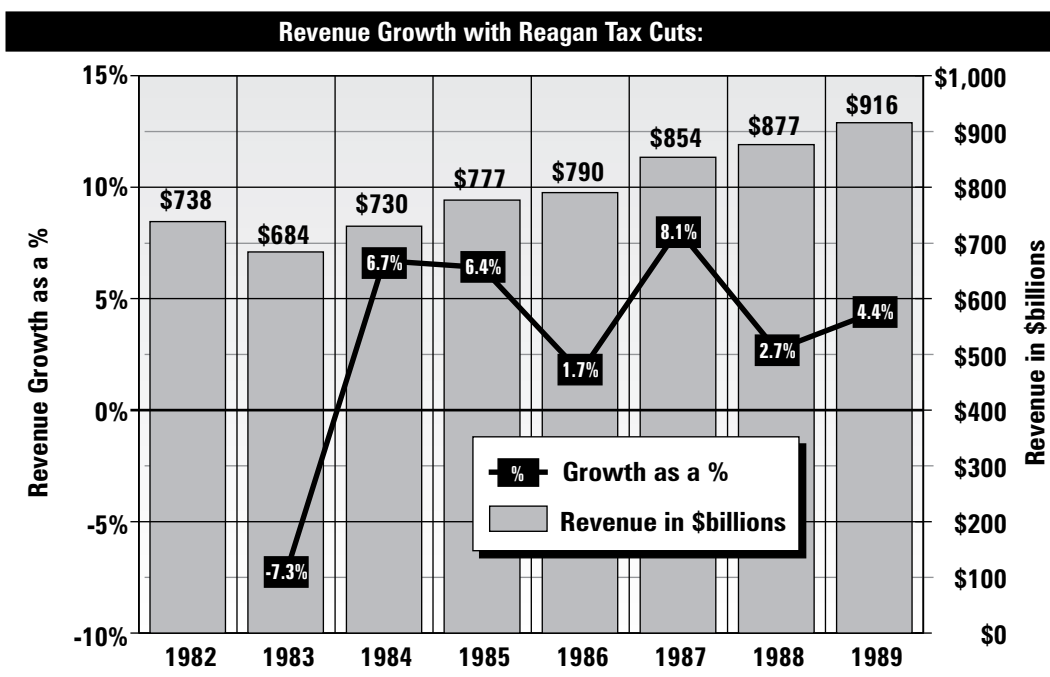


Figure 1
Revenue Growth with Reagan Tax Cuts

Source: Historical Tables, *Budget of the United States Government*, Fiscal Year 1997. U.S. Government Printing Office, Washington, D.C.

“So clearly the deficits of the 1980s were almost exclusively a result of spending rising too rapidly.”

So clearly the deficits of the 1980s were almost exclusively a result of spending rising too rapidly. Indeed, federal spending rose by an average of \$66 billion per year from 1980-90.² Over this same period, revenues climbed by “only” \$51 billion per year. Some of the large spending build-up in real terms was a result of the huge and unexpectedly rapid decline in inflation in the early 1980s. Both President Reagan and Congress had approved spending increases for 1982-85 on the assumption that nominal GDP would be some \$2.5 trillion higher than it was between 1981 and 1986, because of their erroneous forecasts of inflation. Hence, the abrupt reduction in inflation in the early 1980s created about a \$400 billion spending windfall for federal programs.³

2. Congress outspent Reagan in every year.

Table 2 compares the budget requests of Ronald Reagan to the actual spending by Congress from FY1982 through FY1989. In every year Congress spent more than Reagan requested, for a total of \$209 billion of extra spending over eight years. Over this period, Congress was fond of declaring the Reagan budget requests “dead on arrival.” And with the exception of Reagan’s first budget, this is precisely how they were treated on Capitol Hill. The appropriators in Congress typically savaged Reagan’s spending reduction requests as draconian and heartless, while they proceeded to rewrite the budget to reflect their own spending concerns and priorities.

Table 2
**FEDERAL SPENDING:
REAGAN VERSUS
CONGRESS**

Source: Budget of the United States Government, various years. U.S. Government Printing Office, Washington, D.C.

FEDERAL SPENDING: REAGAN VERSUS CONGRESS			
(\$billions)			
Fiscal Year	President’s Budget Request	Congressional Spending	Difference
1982	712	746	34
1983	773	808	35
1984	848	852	4
1985	925	946	21
1986	974	990	16
1987	994	1,004	10
1988	1,024	1,064	40
1989	1,094	1,143	49
TOTAL EXCESS CONGRESSIONAL SPENDING:			209
AVERAGE ANNUAL EXCESS SPENDING:			26

“In every year Congress spent more than Reagan requested, for a total of \$209 billion of extra spending over eight years.”

3. Congressional spending was higher in 1988-89.

President Clinton and others have repeatedly asserted that Republicans are responsible for the deficits of the 1980s. But an analysis of the political control of the Legislature contradicts this claim. During the first six Reagan years (FY 1982-87) the Senate was controlled by Republicans and the House by Democrats. In the final two years of Reagan’s presidency the House and Senate had Democrat majorities. Congressional excess spending was substantially higher after the Democrats took control of both chambers. Figure 2 shows that in the years that control of Congress was split, the average excess spending was \$20 billion per year, versus an average of \$51 billion per year when the Democrats controlled both the Senate and House.⁴

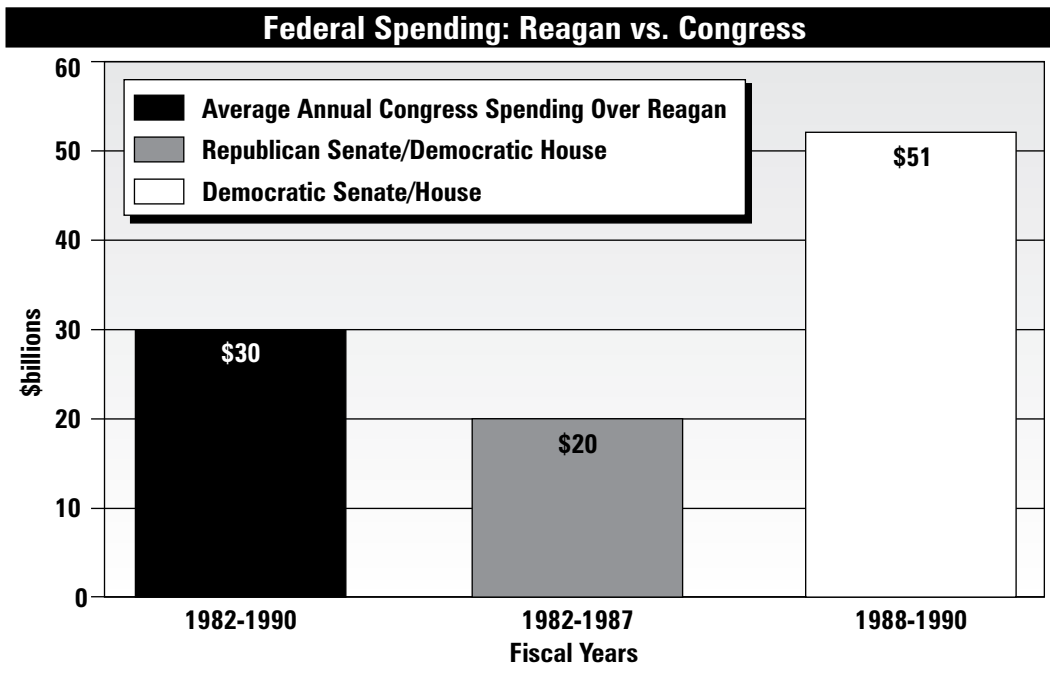


Figure 2
**Federal Spending:
 Reagan vs. Congress**
 Source: JEC

4. Congress spent substantially more on entitlements than Reagan requested.

Former Senate Appropriations Committee chairman Robert C. Byrd of West Virginia maintains that if Congress had approved all of Reagan’s appropriations requests the deficit would have been higher, not lower. What this statement conveniently overlooks is that more than half of the budget today is entitlement spending. Entitlements are expenditures that are not approved through the appropriations process, and almost all of the excessive spending in the 1980s was entitlements.

Congress consistently permitted more spending on entitlements than Reagan requested. The Reagan budgets routinely called for money-saving entitlement reforms—in health care, in the huge catalog of welfare programs, in veterans benefits, and so on. Congress killed those reforms by simply ignoring them. In other cases, Congress actually increased benefits and expanded eligibility for entitlements. For example, Rep. Henry Waxman has been called the “trillion dollar man” for successfully inserting a series of Medicare and Medicaid expansions into the budget that may end up costing taxpayers more than \$1 trillion through the end of the century.⁵

Expenditures for entitlements grew rapidly in the Reagan and Bush years. For example, Medicare spending has grown by about 12 percent per year in the 1980s and 1990s. Reagan’s health care cost control initiatives were killed through congressional inaction. And although the President can use the veto to block appropriations bills that he disapproves of, the President has no such unilateral authority to block entitlement spending. Expenditures on these programs are established by law, and the outlays can only be altered if Congress changes the law. (This is why the spending in these areas is often called “mandatory” or “uncontrollable.”) No President has the authority to force Congress to pass a law against its will.

5. Reagan’s budget requests for the military were consistently higher than the levels Congress appropriated.

Why were Reagan’s *appropriations* requests higher than what Congress actually approved, as Senator Byrd maintains? The answer is that Reagan routinely requested more money for national defense to fight the Cold War than Congress approved.⁶ In fact, Congress adopted a fiscal strategy in the early 1980s that

“Congress consistently permitted more spending on entitlements than Reagan requested.”

“Reagan’s health care cost control initiatives were killed through congressional inaction.”

continues to this day: robbing money from the defense budget to pay for domestic programs. Table 3 shows that in constant 1992 dollars, Congress spent roughly \$80 billion *less* than Reagan requested on defense, and some \$390 billion *more* than Reagan requested on everything else.⁷ This practice continued during the Bush years, helping camouflage the massive domestic spending build up from 1988-93. It has also had a long term negative effect on the nation's fiscal health, because defense spending is fairly easy to scale back when the military completes its mission (as is occurring now in the post-Cold War era), whereas domestic spending almost never shrinks. From 1988-96, defense spending has been reduced by \$100 billion in real terms, but all nondefense spending has risen by more than \$250 billion.⁸

Table 3
**FEDERAL OUTLAYS:
Difference Between
President's Request
and Actual Constant
1992 Dollars**

Source: House Republican Study Committee and Budget of the United States Government FY1982–FY1993. Excludes Desert Shield/Desert Storm

FEDERAL OUTLAYS: Difference Between President's Request and Actual Constant 1992 Dollars		
(\$billions)		
Fiscal Year	Defense	Nondefense
1982	-5.1	78.3
1983	-15.5	85.7
1984	-23.8	28.3
1985	-24.7	51.6
1986	-15.4	36.1
1987	-0.2	12.3
1988	-8.5	55.2
1989	10.7	45.4
1990	-5.6	111.5
1991	-6.7	123.3
TOTAL	-94.7	627.7

“Reagan requested \$26.8 billion of spending reductions through the rescission process that were never approved by Congress.”

6. Reagan rescission requests were ignored.

Aside from presenting his annual budget blueprint, the President has three other limited powers of the purse at his disposal:

- ❶ the rescission, which is a request to Congress to cancel spending previously appropriated funds;
- ❷ the deferral, which is a presidential request to Congress to delay spending until a later fiscal year; and
- ❸ most importantly, the power to veto spending bills. Reagan used each of these to varying degrees to attempt to curtail deficit spending.

In most cases these attempts were thwarted by Congress. Table 4 shows that from 1982-89 Reagan submitted \$43.4 billion in rescissions, of which only \$16.5 billion was approved. Hence, Reagan requested \$26.8 billion of spending reductions through the rescission process that were never approved by Congress.

REAGAN RECISSIONS UNDER THE IMPOUNDED CONTROL ACT			
(\$millions)			
Fiscal Year	Proposed	Accepted	Rejected
1981	15,632	11,715	3,474*
1982	7,907	4,365	3,542
1983	1,569	0	1,569
1984	636	55	581
1985	1,844	166	1,678
1986	10,127	143	9,984
1987	5,836	36	5,800
1988	0	0	0
1989	143	2	141
TOTAL	43,424	16,482	26,769

Table 4
REAGAN RECISSIONS UNDER THE IMPOUNDED CONTROL ACT

* Difference of \$173 million was carried forward to the following year.

Source: *Budget of the United States Government*, various years. U.S. Government Printing Office, Washington, D.C.

Table 5 shows that similar savings might have been achieved through the deferral of funds. A total of \$15.2 billion in Reagan deferrals were rejected by Congress. While most of this spending would have occurred at a later date in any case, there are interest savings to delaying spending by even one year.

REAGAN DEFERRALS UNDER THE IMPOUNDED CONTROL ACT			
(\$millions)			
Fiscal Year	Proposed	Accepted	Rejected
1981	3,814	3,447	367
1982	8,215	7,829	272*
1983	13,608	9,624	3554*
1984	7,936	7,919	16
1985	16,783	16,045	739
1986	24,767	14,690	10,077
1987	11,495	11,320	175
1988	9,320	9,320	0
1989	8,943	8,943	0
TOTAL	104,881	89,137	15,200

Table 5
REAGAN DEFERRALS UNDER THE IMPOUNDED CONTROL ACT

* A difference of \$114 million in 1982 and \$430 million in 1983 were Rejected by Resolution

Source: *Budget of the United States Government*, various years. U.S. Government Printing Office, Washington, D.C.

One of Reagan's greatest mistakes as president was his ineffective and sparing use of the veto, the greatest constitutional power granted the chief executive.⁹ Reagan's friends and foes alike have maintained that if Reagan disapproved of the levels of congressional appropriations, he should have employed his veto whenever he believed that congressional appropriations were excessive. Congress, however, became adept at disarming Reagan's veto authority by irresponsibly wrapping most and sometimes all the individual appropriations bills into a single eleventh hour half-trillion dollar take-it-or-leave-it continuing resolution. Vetoing such monster spending bills would have required closing down the government, which presidents are reluctant to do. Bill Clinton has subsequently shown (in 1996) that the President can shutdown the government and force Congress to back down. Reagan should have vetoed congressional

"A total of \$15.2 billion in Reagan deferrals were rejected by Congress."

“\$271 billion is the amount of deficit spending in the Reagan years that was solely the result of Congress.”

budgets, shut down the government, and taken his case to the people. Reagan was only willing to do so twice, and only then for a half day. Even then, entitlements, the other half of the budget, were not subject to the veto at all.

Despite his general reluctance to employ the veto, two of Reagan’s spending vetoes were overridden by Congress. The first was the \$18 billion 1987 Clean Water Authorization bill. The second was the \$88 billion, five year, highway authorization bill passed in 1987. Reagan objected to roughly 20 percent of the spending—or about \$20 billion of outlays—in these bills. No president can be held accountable for deficit spending which Congress approves even after he vetoes them.

The sum total of (1) congressional spending over Reagan requests, (2) the rejected rescissions and deferrals, and (3) congressional overrides of Reagan spending vetoes comes to \$271 billion. This is the amount of deficit spending in the Reagan years that was solely the result of Congress. Ironically, those who have tended to complain loudest about the “Reagan deficits,” most notably former Senate Appropriations Chairman Robert Byrd, have been the legislators primarily responsible for passing that deficit spending.

Congress vs. Other Presidents

Were Reagan’s frustrations in dealing with Congress on fiscal matters unique to his administration? In a word, no. Presidents Ford, Carter, and Bush experienced the same frustrations in cutting spending that Reagan did. For example, if we extend our analysis through Bush’s four years, we find that roughly another \$90 billion of deficit spending was solely a result of congressional spending over Bush requests. This means that over the twelve years of Republican presidents (FY1982-93), Congress unilaterally approved \$300 billion in excessive spending.

“From FY1976 through FY1993, Congress approved almost a half-trillion dollars of deficit spending above the president’s request.”

Table 6 / Figure 3 shows that the same was true for Jimmy Carter and Gerald Ford. Ford’s presidency is a convenient starting place for this analysis, because it was during his presidency that Congress enacted the 1974 Budget Act, which eviscerated the historical presidential authority to impound funds that the President did not think should be spent. This was a power that was first exercised by Thomas Jefferson. From FY1976 through FY1993, Congress approved almost a half-trillion dollars of deficit spending above the president’s request. The average annual excess presidential spending was \$27 billion. In all but one of those eighteen years, congressional spending exceeded presidential requests. This pattern even held during the Carter years, when the same party controlled both houses of Congress and the White House.

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FEDERAL SPENDING: PRESIDENT VERSUS CONGRESS				
(\$billions)				
President	Fiscal Year	President's Budget Request	Congressional Spending	Difference
FORD	1976	349	372	23
	1977	394	409	15
CARTER	1978	440	459	19
	1979	500	503	3
	1980	532	591	59
	1981	616	678	62
REAGAN	1982	712	746	34
	1983	773	808	35
	1984	848	852	4
	1985	925	946	21
	1986	974	990	16
	1987	994	1,004	10
	1988	1,024	1,064	40
	1989	1,094	1,143	49
BUSH	1990	1,197	1,253	56
	1991	1,233	1,324	91
	1992*	1,358	1,302	-56
	1993*	1,441	1,445	4
TOTAL				485
AVERAGE ANNUAL EXCESS CONGRESSIONAL SPENDING				27

Table 6
**FEDERAL SPENDING:
PRESIDENT VERSUS
CONGRESS**

* Excludes deposit insurance outlays.

Source: *Budget of the United States Government*, various years. U.S. Government Printing Office, Washington, D.C.

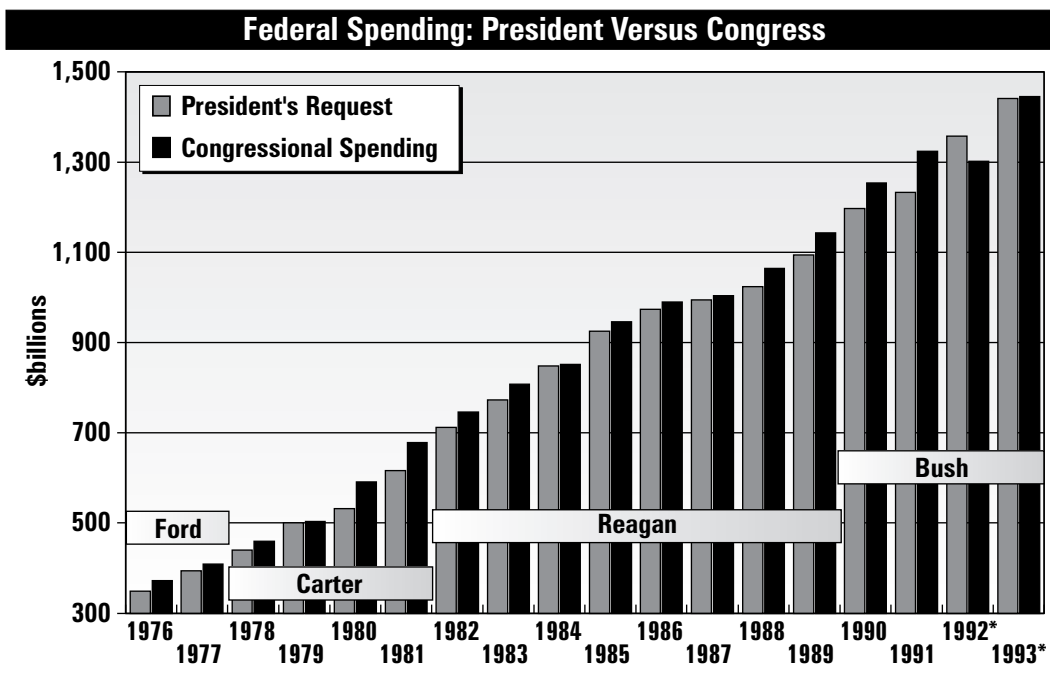


Figure 3
**Federal Spending:
President Versus
Congress**

* Excludes deposit insurance outlays.

Source: *Budget of the United States Government*, various years. U.S. Government Printing Office, Washington, D.C.

The Clinton Years

Bill Clinton is the first president in twenty years who has actually out-spent Congress. Table 7/Figure 4 shows that in three of his four years, Clinton requested more than Congress spent. In one year Congress approved the level of spending Clinton requested.

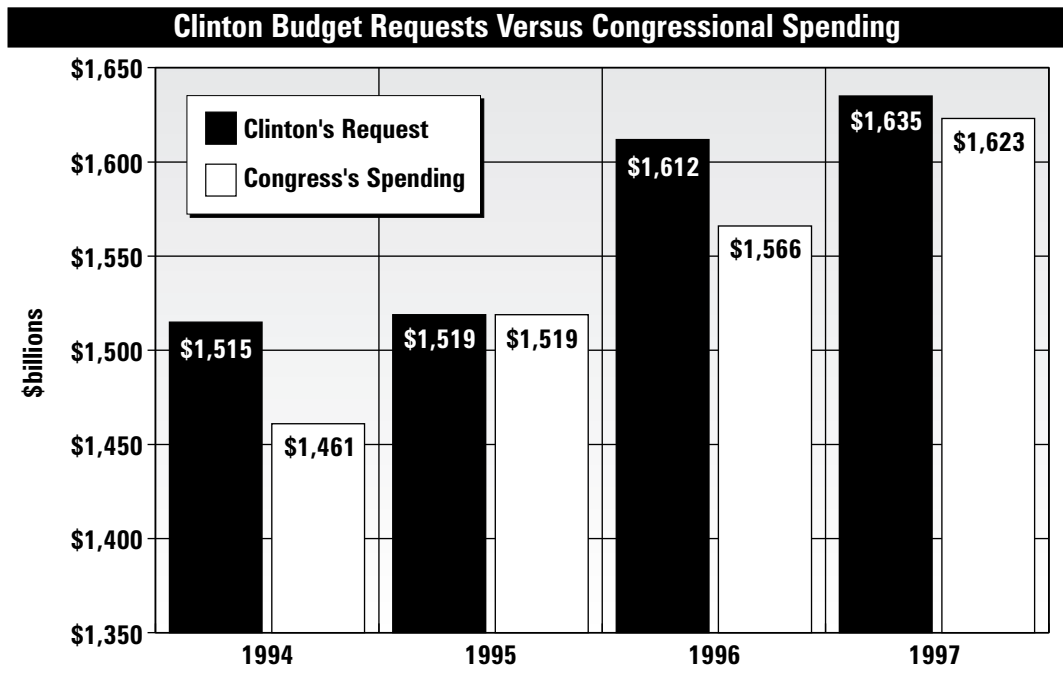
Table 7
CLINTON BUDGET REQUESTS VERSUS CONGRESSIONAL SPENDING

Source: *Budget of the United States Government*, various years. U.S. Government Printing Office, Washington, D.C.

CLINTON BUDGET REQUESTS VERSUS CONGRESSIONAL SPENDING			
(Billions)			
Year	Budget	Spending	Difference
1994	1,515	1,461	-54
1995	1,519	1,519	0
1996	1,612	1,566	-46
1997	1,635	1,623	-12
TOTAL			-112
AVERAGE ANNUAL REDUCTIONS FROM CLINTON REQUESTS			28

Figure 4
Clinton Budget Requests Versus Congressional Spending

Source: *Budget of the United States Government*, various years. U.S. Government Printing Office, Washington, D.C.



During the first two Clinton years, (FY1994 and FY1995) the 103rd Congress spent \$54 billion less than Clinton requested. In the most recent two years (including the most recent projection for FY1997 spending based on the budget resolution approved by Congress), Clinton has requested \$58 billion more than the new 104th Congress was willing to spend.¹⁰ Clinton's vetoes of entitlement reforms also added another \$5 to \$10 billion in extra annual spending for 1996. His veto of the congressional appropriations bills also succeeded in prompting Congress to add roughly \$5 billion extra spending to win White House approval. All told, Clinton's spending demands over the past four years have been roughly \$120 billion higher than Congress approved.

This finding is confirmed by a 1996 report by the Congressional Senate Budget Committee. The Budget Committee tallied all of the Clinton administration's new spending initiatives from 1993-1997. The total of all these new spending requests was a whopping \$370 billion.¹¹

Even his own supporters criticized his first budget proposal for being too lean in spending cuts.¹² And when Congress attempted to cut another \$100 billion over five years from the budget at the end of 1993 through the Penny-Kasich plan, an

"All told, Clinton's spending demands over the past four years have been roughly \$120 billion higher than Congress approved."

all-out lobbying blitz by the White House led to its defeat.¹³ Traditionally it has been the President who has protected the federal treasury from congressional raids. The opposite has been true during the Clinton presidency.¹⁴

Ronald Reagan's adversaries attack his administration's legacy as one of debt and fiscal mismanagement. This analysis shows that while the Reagan administration certainly shares the blame for the doubling in the national debt in the 1980s (having never submitted a true balanced budget proposal), much more of the blame rests with Congress. The budget deficit would have been, on average, \$30 billion *lower each year* if Reagan's budget requests had been taken seriously. In the 1980s, the "free lunch crowd" was Congress, not the White House.

Conversely, although Bill Clinton routinely takes credit for the shrinking of the budget deficit since 1993, Congress (especially the 104th Congress) has been far more tight-fisted than the White House. Amazingly, Clinton now takes credit for the reductions in deficit spending caused by budgets he earlier said were "wrong for America." If Congress had approved *carte blanche* all of Clinton's spending requests, the deficit in recent years would have been substantially *higher*, not lower. Bill Clinton is the first president in a generation to be more fiscally irresponsible than Congress.

Conclusion

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Endnotes

- 1 President Clinton, Los Angeles, California, May 18, 1993.
- 2 See: Paul Craig Roberts, "GOP's Deficit Hang-Ups," *The Washington Times*, November 23, 1993.
- 3 See: Paul Craig Roberts, *The Supply Side Experiment*, 1988; and David Stockman *The Triumph of Politics*, 1986.
- 4 This includes Reagan's FY1990 budget request, which was presented in January, 1989. That budget submittal was subsequently revised by the incoming Bush administration.
- 5 Grover Norquist; and *Washington Post*
- 6 Steve Robinson, "What Peace Dividend?" House Republican Study Committee, Washington, D.C., 1992.
- 7 *Ibid*, p. 7.
- 8 Stephen Moore, "Broken Promises: What's Gone Wrong with the Economy in the 1990s," Institute for Policy Innovation, IPI Policy Report #136, Lewisville, Texas, 1996.
- 9 See: James Gattuso and Stephen Moore, "Reagan's Trump Card: The Veto," Heritage Foundation *Backgrounder* No. 443, 1985.
- 10 See also, Rep. Bob Livingston, "Dear Colleague Letter," U.S. House of Representatives, January 31, 1996.
- 11 U.S. Senate Budget Committee, *Summary of President Clinton's Initiatives*. Sept. 18, 1996.
- 12 See: Bob Woodward, *The Agenda*, 1995.
- 13 Stephen Moore, "Deficit Delusions," *National Review*, August 17, 1996.
- 14 See, for example: Tim Penny and Stephen Moore, "Yes, the Deficit Was Cut," *The Weekly Standard*, July 22, 1996, pp. 16-18.

About The Authors

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