A state budget's (elective) surgery

By <u>Steve Thorngate</u> June 17, 2014

Debates about tax cuts often play out in pretty fuzzy terms. How do you feel about the role of government? What size tax burden feels fair to you? Which party is in power, and how trustworthy do its leaders look on television?

This isn't necessary. Tax cuts put actual money in actual people's pockets, so we can ask nice concrete questions like "how much?" and "which people?" And they make actual reductions to revenue used to fund actual government functions, so we can ask things like "how hard will this hit the government?" and "what might the government stop doing as a result?"

Federal fiscal policy can be hard to understand, with its economically strategic use of deficits (and its politically strategic condemnation of the same). State and local policy is a little more straightforward: if you give the government less money, before long it's going to have to spend less. Some conservatives think this is pretty much by definition a good thing, and a lot of them have a lot of state-level power right now. In 2012, Kansas enacted massive tax cuts. State leaders promised economic growth, but this hasn't quite materialized. Now the state's in quite the fiscal mess.

Other conservative-run states have looked to Kansas as a model. But <u>as the Wall Street Journal reported last week</u> (subscription required), some are starting to reconsider going as far as Kansas went. That's a bit of good news amid the slashing and burning that's happening to state budgets—budgets that get far less attention than Washington does but that in many ways have a much more direct effect on people's lives.

Nicholas Johnson has more, including the observation that Kansas governor Sam Brownback has switched medical metaphors: instead of the "shot of adrenaline" he once promised the tax cuts would give the state economy—an image that in order to be accurate would have required that the cuts target not the wealthy but instead people who need the money and will spend it on things—Brownback now speaks of a slow recovery from an invasive surgery.

What the governor doesn't mention, of course, is that the operation was entirely elective, motivated by not necessity but ideology. If we keep talking about tax cuts like they flow inevitably from our deep beliefs about self-reliance or being American, this kind of thing will keep happening. Instead, look to Kansas and see what very concrete things happen when lawmakers choose to starve their own government.