Trump Budget Expected to Seek Historic Contraction of Federal Workforce

Comprehension Comments

President Trump's budget proposal this week would shake the federal government to its core if enacted, **culling** back numerous programs and expediting a historic contraction of the federal workforce.

This would be the first time the government has executed cuts of this magnitude — and all at once — since the drawdown following World War II, economists and budget analysts said.

The spending budget Trump is set to release Thursday will offer the clearest snapshot of his vision for the size and role of government. Aides say that the president sees a new Washington **emerging** from the budget process, one that prioritizes the military and homeland security while slashing many other areas, including housing, foreign assistance, environmental programs, public broadcasting and research. Simply put, government would be smaller and less involved in regulating life in America, with private companies and states playing a much bigger role.

The cuts Trump plans to propose this week are also expected to lead to layoffs among federal workers, changes that would be felt sharply in the Washington area. According to an economic analysis by Mark Zandi, chief economist for Moody's Analytics, the reductions outlined so far by Trump's advisers would reduce employment in the region by 1.8 percent and personal income by 3.5 percent, and lower home prices by 1.9 percent.

"These are not the kind of cuts that you can accommodate by tightening the belt one notch, by shaving a little bit off of a program, or by downsizing a few staff here or there," said Robert Reischauer, a former director of the Congressional Budget Office. "These are cuts that would require a wholesale **triage** of a vast array of federal activities."

Still, budget experts said it was unclear what the precise impact on many agencies might be because the departments could choose to **implement** reductions in a variety of ways.

Administration officials have also stressed that discussions are ongoing between budget officials and agencies, and that the size of the budget cuts remains fluid. Moreover, the cuts cannot take effect unless they are authorized by Congress, which could prove difficult. Lawmakers routinely **rebuffed** budget requests from President Barack Obama, leading instead to **protracted** negotiations between both sides. Already, Democrats have vowed to fight Trump's proposals, and some Republicans have also expressed unease at the size of the reductions.

The White House declined to comment publicly, but administration officials have signaled for weeks that large cuts will be part of the budget. [...]

The federal government is projected to spend \$4.091 trillion next year, with roughly two-thirds of that going mostly toward Social Security, Medicare, Medicaid, poverty assistance and interest payments on the government debt.

This spending is expected to be left untouched in the budget proposal next week.

What Trump will propose changing is the rest of the budget, known as **discretionary** spending, which is authorized each year by Congress. Slightly more than half of this remaining money goes to the military, and the rest is spread across agencies that operate things like education, diplomacy, housing, transportation and law enforcement.

Among Trump's expected proposals are an increase in military spending of \$54 billion, more money to start building a wall along the border between the United States and Mexico, and the creation of new initiatives that expand access to charter schools and other educational programs.

To offset that new money, Trump will propose steep cuts across numerous other agencies. Although final numbers remain in **flux**, his advisers have considered cutting the Department of Housing and Urban Development's budget by \$6 billion, or 14 percent, according to a preliminary budget document obtained by *The Washington Post*. That is a change that Trulia chief economist Ralph McLaughlin said could "put nearly 8 million Americans in both inner-city and suburban communities at risk of losing their public housing and nearly 4 million at risk of losing their rental **subsidy**."

Preliminary budget documents have also shown that Trump advisers have also looked at cutting the Environmental Protection Agency's staff by about 20 percent and tightening the Commerce Department's budget by about 18 percent, which would impact climate change research and weather satellite programs, among other things.

Trump and his advisers have said that they believe the federal workforce is too big, and that the federal government spends — and wastes — too much money. They have said that Washington — the federal workers and contractors, among others — has benefited from government <u>largesse</u> while many other Americans have suffered. Federal spending, they have argued, crowds the private sector and piles regulations and bureaucracy onto companies. [...]

Questions

- 1. How much money is budgeted for "Social Security, Medicare, Medicaid, poverty assistance and interest payments on the government debt" according to the article?
- 2. According to the article, Trumps plans would "reduce employment in the region by 1.8 percent and personal income by 3.5 percent, and lower home prices by 1.9 percent." What part of the country would experience these changes? How do you know?
- 3. What do you think some examples of "discretionary spending" (mentioned in the article at the top of this page) might be?
- 4. List three agencies that will likely be affected by these cuts. Which agency seems like it will be most affected?
- 5. What do you think the Department of Housing and Urban Development deals with? (Provide evidence from the article to back your answer.)
- 6. Reread this sentence: "Although final numbers remain in flux, his advisers have considered cutting the Department of Housing and Urban Development's budget by \$6 billion, or 14 percent, according to a preliminary budget document obtained by *The Washington Post*." What can you infer about how *The Washington Post* got that information?