Executive Summary

Today’s budget-making procedures fail to provide an orderly pathway for helping to resolve disputes about long-term fiscal goals and commitments to Americans.

To help address these weaknesses, we propose a procedure to establish a long-term budget for entitlements, and revenues to sustain them, as part of a reformed federal budget process. The procedure for enacting and revising the long-term budget would have two elements:

Element 1: Congress would enact a 25-year spending plan for the major entitlements, along with a clear funding plan to cover their cost. A long-term budget would also include tax expenditures. The funding plan could include dedicated taxes (e.g., a payroll tax), other revenues, or specified savings from other programs. The long-term budget would be the default for these areas of spending and revenues unless Congress made explicit changes during a formal review conducted every four years after a presidential election.

Element 2: To maintain the long-term budget as the default, we propose an “inside-outside” approach. A commission chosen by Congress and the president would regularly design and implement a package of spending and/or revenue adjustments to keep the long-term budget on track; but a bipartisan and bicameral congressional super-committee could develop an alternative package which would take effect if enacted using an expedited procedure.

The Need for Action

There is profound disagreement in the country about the appropriate size and scope of government. These differences have led not only to severe disagreement on the optimal public policies but also to disagreements in the process of budgeting—to the point where in many instances we have not even been able to pass a budget. Governing without a budget is an abdication of the most basic functions of government.

Today’s budget-making procedures exacerbate the problem by failing to provide an orderly pathway for helping to resolve inherent tensions in federal budgeting. One of the most important of these tensions arises from competing goals in making long-term commitments to Americans, often through intergenerational programs. Such tensions include:

- Protecting the financial security of elderly Americans without unduly burdening younger generations in paying for these commitments,
- Assuring the long-term fiscal and economic security of younger taxpayers by setting reasonable long-term levels of borrowing and taxes,
- Ensuring that long-term commitments and financial obligations are within the likely capacity of the American economy, and
- Providing economic security for recipients while maintaining budgetary flexibility for all citizens.

Tensions between these goals would exist even if there were a consensus about the appropriate size of the federal government. However, the design of today’s budget process leads to an imbalance in the weight given to these goals. For one thing, Social Security and Medicare are given “entitlement” or “mandatory” status, meaning that they are not subject to the annual appropriations process, while other important programs, such as defense and many programs...
for children, must compete with each other annually for funding.

While the goal of protecting seniors is very important, the concern is that the current form of entitlement status is disproportionate and has been leading to an alarming level of unfunded long-term obligations, imperiling the economy and the financial security of future generations.

Another concern is that in recent years placing caps on the spending side of the budget has had its greatest impact on discretionary programs, adding to the imbalance between the goal of protecting today’s older Americans and securing the interests of future generations.

A third concern is that certain tax laws have similar long-term implications that are not captured in the budget process. In particular, trillions of dollars in “tax expenditures” are not appropriately budgeted for and are in practice another form of entitlement spending.

Finally, quite separate from the debate over the appropriate level and design of taxation, there are worries about matching the stream of future revenue both to the goal of a strong economy and to obligated spending.

Taking Back Our Fiscal Future. These and related concerns have been raised for many years. In 2008, the authors and several other budget experts and former budget officials from a broad range of philosophies and institutions agreed on an approach that centered on establishing explicit long-term budgets for Medicare, Medicaid, and Social Security, thereby ending their “autopilot” status. Under that plan, called Taking Back our Fiscal Future (TBOFF), Congress would establish a budget for these entitlement programs—of perhaps 30 years—that would become the default spending level for the programs. Congress would review the long-term budget every five years and could make explicit revisions for the next 30 years, but otherwise the budget would be held on track by “triggers” or other action-forcing devices. In essence, the TBOFF proposal sought to restore a balance between the budgeting of different types of spending.

The proposal was not without its skeptics. Among other things, critics pointed out that TBOFF focused on only the spending side of the ledger and did not address “tax expenditures” in the tax code. They also expressed skepticism that a system of caps on entitlements and automatic cuts could be effective and that, if it were successful, the TBOFF approach would threaten the health and economic security of many poor and elderly Americans. More recently, others have questioned the very concept of developing long-term budgets, arguing that the uncertainty of projections makes a long-term budget unwise.

As coauthors of this earlier proposal, we agree there is validity to at least some of these concerns, and we try to address them in this paper. We and other authors of TBOFF also agree that an achievable budget reform along the line of a modified TBOFF would need to include tax revenues, for both political and substantive reasons.

A Long-Term Entitlement and Revenue Budget. In this paper, we set down our view of how the basic TBOFF proposal could be fleshed out and amended to become part of the framework for a structural reform of the budget process. We write only for ourselves in this paper, not for the other original authors, although we have benefited from suggestions and critiques supplied by several of them.

The proposal laid out in this paper seeks to create a structure that allows for the important goal of creating programs that are based on credible longer-term commitments while ensuring that they do not squeeze out other budgetary priorities, overly constrain our fiscal flexibility, or lead to damaging fiscal outcomes. We believe this proposal accomplishes several important reforms. In particular, it would:

- Refocus Congress and the American people on the compact between generations by encouraging Congress to make clear choices about long-term spending and the revenue needed for major programs currently classed as entitlements and tax expenditures.
- Require Congress to develop a long-term plan for these critical parts of the budget. Such a plan would provide greater certainty to both beneficiaries and taxpayers. Debating it would require lawmakers to indicate to the

---

1 Antos et al., “Taking Back Our Fiscal Future.”
3 For example, see White, “Long-Term Budgeting.”
American people the long-term fiscal consequences of the plan.

- Treat projected spending on entitlements, tax expenditures, and the identified tax revenue needed to support them in a similar way and at the same time as other budget items, which would be good politics as well as good budgeting practice.

- Put these major parts of the budget on a more level playing field with other priorities, requiring Congress to make choices among competing priorities within a more evenhanded budget process.

- Make the long-term budget the default, yet also allow for adjustment if economic conditions or goals change, or if we discover over time—for instance in health care—that reaching our goals may cost more, or less, than projected. We recognize that long-term projections are no more than best guesses beyond a few years and so should not be a straitjacket on programs and revenues. Policy goals also change over time. But we believe that it is wise to base decisions on our best guesses and current long-term policy goals. Thus, the proposal would require explicit action by Congress in order to depart from the trajectory laid out in the long-term budget.

- Create a mechanism for these decisions also to be made in the context of agreed long-term fiscal goals, such as:
  - A deficit-to-GDP and debt-to-GDP target,
  - A total spending target, and/or
  - A total revenue target.

In this paper we lay out a framework for how a long-term budget could work, and include a number of important specific objectives as well as issues to work out. We believe that the body of work looking at long-term budgeting will continue to grow, and we hope this contribution will be helpful as it does.

**Procedures for Enacting and Revising a Long-Term Budget for Entitlements and Sustaining Revenues**

We envision a budget procedure that would encompass two core elements.

**Element 1: Designing a Plan.** The first element entails Congress mapping out a 25-year spending plan for the major entitlements, along with a clear funding plan to cover their cost. The funding plan could include dedicated taxes (e.g., the payroll tax), other revenue, or specified savings from other programs. It could also propose increasing or decreasing the debt. The crucial point is that Congress would debate and enact a plan—one that clearly shows the American people the intended long-term spending on entitlements and the funding to pay for them.

This long-term budget for “automatic” programs would not cover all areas of spending, rather only those involving long-term commitments. During the debate over the long-term budget, spending for the plan would be viewed in the context of Congressional Budget Office (CBO) projections and options for other programs, so that the potential long-term impacts on the funding of other programs could be assessed. Meanwhile, the revenue portion of the long-term plan would include not only dedicated payroll taxes, but also the share of other taxes and revenues needed to sustain the plan. In this way, Congress would have to vote on a plan, indicate how the government would pay for it, and show its relationship with revenues and spending for other functions of government.

A long-term budget would also be developed for tax expenditures. These expenditures are less central in terms of intergenerational commitments, but as is the case with entitlement programs they are not subject to the annual appropriations process and tend to receive less scrutiny than discretionary spending, despite often growing faster than the economy. This regular budgeting process for tax expenditures would require lawmakers to determine how much foregone revenue they would agree to and ensure that those budgets remained on track over time.

**Element 2: A Default with Adjustments.** The second core element is that this long-term budget for entitlements, tax expenditures, and funding sources would be the default budget for these programs, but it would be reviewed periodically and could be altered (e.g., expanded, contracted, or changed) to reflect changing priorities and economic conditions. If Congress and the president could not agree on modifications, however, automatic mechanisms would keep the
long-term budget on track. We propose the following two steps to accomplish these elements:

1. **Establish the initial tax and entitlement budget.**
   - **Congress would enact a 25-year budget** for the major spending entitlements (Medicare, Medicaid, and Social Security), the dedicated taxes, and other sources of revenue needed to support them, and major tax expenditures. This budget would be based on CBO long-term spending and revenue projections.
   - **Each year CBO would calculate and publish a 10-year “moving average”** for the major categories of entitlement spending and sustaining revenues, based on actuals for the previous five years and CBO projections for the next five years. This moving average would be used to determine whether spending or revenue trends were departing from the long-term budget outside the “corridors” (see below) sufficiently to trigger an automatic adjustment procedure.
   - **Under the provisions of the statute, Congress would formally review the long-term budget every four years,** scheduled for the year after each presidential election. To assist Congress in this task, this review would follow a **Quadrennial Report on Major Priorities and Goals.** Modeled on the Quadrennial Defense Review, this report would provide Congress and the public with a wide-ranging review of the programs in the long-term budget and their performance in reaching the goals of the plan. Prepared by CBO in cooperation with the Actuary for Medicaid and the Medicare, Medicaid, and Social Security trustees, the review would discuss anticipated economic conditions and projected program and revenue trends, and how these compare with the long-term budget in future years. The choice of a four-year period between reviews means each review would coincide with the first year of an administration, or the reelection of a president, and thus permit consideration of significant revisions in the plan to reflect the agenda of the incoming administration and Congress.

During each four-year congressional review, the long-term budget could be adjusted in either direction. In addition, during the review process the budget timeline would be extended by an additional four years to establish a new 25-year budget and enact the increment into law. However, the revenue and entitlement totals established during previous reviews could only be altered by an act of Congress signed by the president; otherwise, the previous long-term budget would remain in force for the years covered under that review and would be enforceable through a trigger or adjustment mechanism (see below).

- **Separate from the formal review every four years,** Congress could make budgetary changes in entitlements or revenues, or agencies could make regulatory or eligibility changes that have budgetary effects, provided these do not cause the spending or revenues during to move outside the corridor established in the long-term budget and moving average. For any such legislative or administrative proposal, CBO would report on how the proposal affects the long-term budget. If the proposal did not cause the long-term budget to move outside the corridors (according to CBO projections) no revision in the long-term budget would be needed. If it did, the proposal would require a statutory revision of the long-term budget to become law. That could be done in the years between the formal reviews. In our view, this requirement—which would require disclosure and debate of the proposal’s impact on the previously agreed long-term budget—would act to a degree as a political brake on enacting proposals that either increase or cut spending levels in the long-term budget.

**Encouraging Responsible Action.** While we gave thought to a long-term budget plan that included such devices as a supermajority congressional vote Congresses in such ways. In addition to constitutional concerns discussed later, we believe a long-term budget process and its enforcement mechanisms must in practice be broadly acceptable to current and future lawmakers in actual spending and revenues could move within the corridor in any year without immediate statutory action.

---

4 The authors have no particular recommendation on how to construct a corridor. It could be a small percentage of the budget total in any year, for instance, or a dollar amount. The purpose is to provide a cushion such that...
order for it to be sustained politically over time. Failure to maintain a broad consensus of support will ensure the demise of a long-term budget. Therefore, we envision instead a procedure that could be added relatively easily to the existing process, but that provides information to lawmakers and the American people about major entitlements and the revenues to support them, thereby putting a new emphasis on the long term.

This procedure would require lawmakers to present, defend, and vote for an explicit long-term plan. Our hope and expectation is that, if the long-term budget becomes a normal feature of the process, it will begin to shape budget decisions and over time exert increasing political pressure on decision makers to act responsibly. Thus, we envision the long-term budget as a device that will trigger the responsible action, much as the use of trust funds focuses public and legislative attention on the longer-term condition of Medicare and the need to discuss sustainability. Meanwhile, a long-term budget would be an important constraint on shorter-term decisions by Congress that have potentially large implications for future generations.

For these reasons the procedure for revising the long-term budget on a regular schedule, and allowing adjustments if lawmakers wish to expand or contract a program or tax source, can fit within today’s legislative procedures. The difference is that we make the long-term plan the default, so the effect of a proposed change on the long-term budget must be acknowledged publicly and legislatively. Formally establishing such a long-term plan also periodically requires Congress to debate the broad goals of major entitlement programs and taxes in the context of competing goals and the ability of the economy to sustain them.

Addressing Uncertainty. We recognize that projecting costs or revenues of programs over such a long period, or forecasting the economy, becomes ever more speculative for each out-year of the budget. Instead, the estimates shaping the long-term plan would be CBO’s best guess about the resources needed to reach the chosen goals. But as others have pointed out, long-term projections, despite their inherent uncertainties, are essential for wise policy making. The estimate would be updated periodically as we learn more about the trajectory of programs or as economic conditions change. That is another reason, beyond the necessity to ensure continuous political support in Congress, and why we include a regular review of the budget, guided by the quadrennial report.

Protection for Beneficiaries. We also emphasize that the long-term budget is a floor as well as a ceiling. Discussions of entitlement budget reform typically focus exclusively on caps. However, it is important to debate and enact plans to ensure the sustainability of programs over time and to adjust to the nation’s evolving goals and financial capacity—including decisions to increase commitments to some groups of Americans. For both the revenue and spending programs included, the long-term budget would chart out a long-term fiscal plan to reach stated goals. If projected revenue or spending begin to fall below what is needed to stay on the path—or to exceed what is necessary—then Congress would need either to make an adjustment or to revisit the goal.

2. Establish automatic procedures to maintain the long-term budget as the default.

For the long-term budget to be an effective default, it must include a mechanism to keep annual entitlement spending and related revenues on track without requiring congressional action. Our experience with Congress over time, backed by research on decision making in legislatures, suggests that the budget plan is very unlikely to survive for long if explicit action is required to adhere to a long-term budget. Thus, an automatic procedure, one in which Congress retains the authority to override through statutory means, is a central component of our proposal.

---

5 See Bipartisan Policy Center, “Fixing Fiscal Myopia.”

6 See Meyers, “How to Make Budget Process Reform Politically Feasible.”
Two Forms of Automatic Enforcement. There are two broad ways to enforce a budgetary default.

1. Enact a set of specific program changes—or “triggers”—that go into effect if actual spending or revenue departs from the long-term plan. Examples in recent years include legislation requiring automatic reductions in physician payments in Medicare, increases in premiums or deductibles for health programs, and adjustments to Social Security checks.

   This approach has significant problems. For one thing, the approach requires gaining congressional agreement to lock in specific policy actions that would apply well into the future. That would be a very difficult task if it is a central feature of a long-term budget statute. Moreover, even if a particular Congress can reach an agreement, the wisdom of the triggers will likely be disputed increasingly over time as conditions change. The Medicare Sustainable Growth Rate (SGR), enacted in 1997, is an example of this pattern. The SGR required annual reductions in payments for physician services if Medicare expenditures exceeded a target level. But as worries rose that specific cuts would threaten services promised to seniors, lawmakers routinely suspended the mechanism, making its future application even more severe and politically unpalatable. Eventually, in 2015, the SGR was repealed and replaced with other Medicare reforms.

2. Designate a commission outside Congress to propose a set of actions to address a budget problem, with the recommendations going into effect through some form of fast-track procedure or administrative action unless Congress takes explicit steps to amend or reject the recommendations. One example is the Defense Base Realignment and Closure Commission (BRAC), a series of commissions beginning in 1988 designed to facilitate the closure of unnecessary military bases. Another is the Independent Payment Advisory Board (IPAB), enacted as part of the 2010 Affordable Care Act (ACA), designed to achieve Medicare payment reforms if the trajectory of Medicare spending exceeds the planned growth under the act. Commissions of this type become the default enforcement of a desired budget action by Congress. In each case, the political aim is to retain flexibility for policy actions when savings are needed while distancing individual legislators from association with those actions. Still these mechanisms give Congress—if it can muster the votes—the opportunity to alter the commission’s plan of action.

   This second approach is also more attractive to us as the vehicle for encouraging future Congresses to adhere to the broad elements of a long-term budget. However, we recognize that the commission approach also has weaknesses that need to be considered. If there is no general agreement in each Congress about the aim of a commission, for instance, it is unlikely to endure over time. A reason the BRAC model has been quite successful is that lawmakers see it as a way of resolving the dilemma of members wishing to support budget reductions while wishing not to be avoiding direct association with a specific closure. On the other hand, there is much less agreement about the objectives of IPAB and the ACA, and so they have faced greater resistance.

   These considerations lead us to favor a hybrid model that might be called an “inside-outside” commission approach. This incorporates a commission but also a congressional “super committee” that would have powers to reshape a commission’s recommendations for keeping to the long-term budget plan. In this model, the statute establishing the long-term budget would create a commission, to be selected by Congress and the president, empowered to develop as necessary a set of steps that would bring projected entitlement spending, identified funding sources, and tax expenditures back within the range established in the long-term budget. If Congress were to take no action, these program adjustments would automatically take effect. However, the statute establishing the long-term budget would also establish a bipartisan and bicameral super committee of congressional leaders that could develop an alternative
package to reach the same budget goal. This plan would replace the outside body’s proposal if it were passed by Congress using an expedited procedure. In either case, CBO would need to certify that the alternative package would cause the program or revenue item to return within the corridor limits. In our view, this dual approach could gain political legitimacy. It would avoid the legitimacy problems of an “outside only” commission, such as IPAB, while also avoiding the likely breakdown if enforcement were entirely the responsibility of an internal congressional body, as was the case with the failed 2011 Joint Select Committee on Deficit Reduction (also referred to as Simpson-Bowles).

We envision the automatic procedure as follows:

- **Each year CBO would prepare a 10-year moving average for the major components of the spending, tax expenditure, and revenue portions of the long-term budget**, based on previous actuals and projections for the next five years. If in any year CBO estimates that this moving average would move outside the corridors of the current long-term budget plan during the next fiscal year (either exceeding or falling below the plan), the automatic procedure would be triggered.

- **The automatic trigger process would apply if the next year’s spending or revenue components exceed or fall below the corridors.** In that case, the “outside” commission would prepare a set of adjustments to bring projected spending and identified funding back within the corridors. If Congress takes no action, the package of changes would go into effect. Alternatively, if the “inside” super committee develops an alternative package to reach the same result, as certified by CBO, and that package wins support in Congress through an expedited up-or-down vote in each chamber and receives the president’s signature, that package would replace the proposals from the commission.

- **Exemptions/Automatic Stabilizers.** During a certified recession, the automatic procedure would be suspended. We recognize that a certified recession could cause revenue and spending for programs in the long-term plan to diverge sharply, but temporarily, from the plan. During the formal review following the certified end of the recession, Congress and the president would need either to amend the long-term plan or to allow the automatic procedure to take effect again.

### Other Considerations in Designing a Long-Term Budget

In attempting to design procedures for establishing a long-term budget for entitlements and revenues to support them, we recognize that the details cannot be crafted in a vacuum. In addition to considering whether the long-term budget itself should adhere to a national fiscal goal, for instance, it must also address understandable concerns about binding future Congresses. And it should draw on insights from the experience of other countries that have introduced a long-term component into their budgeting.

**Should a Long-Term Budget Procedure Have an Explicit Fiscal Objective?** In the debate over the federal budget, there are often calls for a rule—sometimes a constitutional rule—to help achieve a particular fiscal goal. This might be a balanced budget, for example, or that accumulated debt remains below a certain percentage of GDP.

We have our own individual views about good fiscal policy outcomes, and we believe there should be a fiscal goal as part of this process to avoid overpromising without providing means to pay for those promises. However, in this proposal we do not advocate for a specific policy goal. That is a separate issue for debate. Rather, we propose a process that is neutral on fiscal policy objectives, but that can accommodate any that are chosen. This proposal seeks to create a procedure that would require Congress to recognize the long-term fiscal implications of entitlements and tax expenditures and their funding. That in itself would most likely force lawmakers to address the tension between the competing long-run goals—including financial security for the elderly, financial security for younger Americans, and economically
sustainable commitments. The objective of this endeavor is not to predetermine what the outcome of that debate should be.

Can One Congress Bind Another? For a long-term budget to mean anything, it must in some way shape the decisions of future Congresses. But that raises the question: Can and should one Congress restrict the scope of decisions made by lawmakers in the future? In the sense of actually binding a future Congress, the Supreme Court has held consistently that “legislative entrenchment”—one Congress binding the legislative authority of a future Congress—is unconstitutional. There is an extensive literature to support this view. So while we seek to design a budget procedure that would give significant weight to a long-term budget in future years, we do not include a statutory provision requiring a supermajority for any future Congress to amend a long-term budget.

On the other hand, there is much greater constitutional latitude regarding matters of congressional procedure. Each chamber is constitutionally empowered to determine the rules of its proceedings, and legislation can include language setting down budget procedures that will stay in force in subsequent Congresses, while accepting that a future House or Senate can amend that rule without the acquiescence of the other chamber and the president’s signature. In our proposal, we include such procedural steps. However, we recognize that these are not binding on future Congresses. Thus, their ultimate success or otherwise depends on the rules’ political acceptance over time, not on their ability to bind another Congress by law.

That said, it is possible in practice for one Congress to exercise considerable sway over the choices of future Congresses because of the design of procedures included in a statute. The literature on policymaking shows that one Congress can make a certain procedure or policy relatively difficult to change. One example is the use of trust fund finance in Social Security and Medicare. While a future Congress could eliminate the trust funds or overturn the requirement to finance the trust funds and fund the programs, in practice the introduction and use of trust funds has made it politically difficult to do so. The design of the Defense Base Realignment and Closure Act of 1990 (BRAC) is another example of one Congress establishing procedures that altered the previous political default—which had been not to close unnecessary bases—in such a way that future Congresses found it politically beneficial to continue the BRAC procedures.

In our proposal, therefore, we do not seek to directly bind future Congresses. Instead, our aim is to construct a procedure that has a good possibility of becoming the attractive (or at least acceptable) default practice for future Congresses.

What Are the Lessons from Other Countries? Balancing the tension between long-term budget goals and between long-term issues and shorter-term considerations is not unique to the United States. Other major countries also have explored the idea of a long-term or medium-term budget for at least a portion of their spending and revenue. Indeed, some major industrial countries have introduced some form of medium-term budgets, and several use long-term projections to shape annual budgets. The United States can certainly do more to align annual budgets to longer-term projections and plans.

Most of the countries in the Organisation for Economic Cooperation and Development (OECD) publish long-term budget projections (typically covering 40–50 years), and many use these to guide medium-term budgets, typically covering three to five years, usually referred to as “medium-term expenditure frameworks” (MTEF). Currently all but a handful of the 35 OECD members maintain an MTEF. In reviewing MTEF arrangements in OECD countries, the International Monetary Fund identified three objectives of the arrangement. The first is to improve fiscal discipline by incorporating procedures to plan and constrain budgets in future years. The second objective is to prioritize public expenditures more effectively and efficiently by separating short-term political concerns from the longer-term costs and benefits of a policy. The third is to create more transparency in the budget process and more certainty and clarity for agencies and the recipients of benefits. A 2013 World Bank study...
found that MTEFs have improved fiscal efficiency and discipline in countries with these frameworks.¹⁰

There is considerable variation in MTEFs, including in the proportion of the national budget subject to the framework, from about one-third of the budget in France and Finland to almost two-thirds in Sweden. Australia subjects its entire budget to a multiyear scrutiny. Some, such as France and the United Kingdom, have precise allocations for a small number of years, with plans beyond that intended more for guidance, while allowing agencies greater flexibility to make adjustments. The period between reviews of the budget vary, with three or four years being the most common.

In general, other countries make more prominent use of multidecade projections and plans to help shape budgets that cover several years. However, the projections and the medium-term frameworks do not typically enforce plans with “hard triggers,” other than for pension programs in some countries. Rather, the prominence of the published projections and frameworks creates political incentives to conform to plans and maintain fiscal sustainability.

This international experience reinforces our view that a long-term budget cannot be a rigid plan enforced by hard triggers. In the U.S. political context, even more than for most other OECD countries, that approach would likely be doomed to failure; even if it attracted enough support for passage, it would be eroded or ignored over time. In our view, the political prominence of the plan—a document that is discussed with the American people, debated in Congress, and backed by the best available projections—is what gives it the power to guide action over time and to be sustained. And the procedure for revision, with the current long-term plan as the default, allows for adjustment while keeping the public focus on the long term.

**Conclusion**

In this paper, we have offered for discussion a proposal intended to improve the way America budgets for entitlements, tax expenditures, and revenues to support them. These programs have a profound long-term effect on the country’s fiscal and economic condition and for our ability over time to pursue multiple policy goals. As we have noted, the proposal does not seek to do everything, or create a mechanism that somehow tries to force future congresses to take actions they are unwilling to take. Nor does it seek to impose supermajority rules that are likely to be undone.

Instead, the proposal seeks to establish a long-term budget that reflects the need for a long-term plan for program commitments and revenue sources that will affect Americans for generations to come. Future beneficiaries need the security that a long-term budget would bring, but they also need the assurance that the goals of these programs and the resources for them allow other goals to be achieved and the economy to remain strong. Accomplishing that requires long-term budgets and a procedure to keep to a plan unless there is an explicit decision to change it.

— Stuart Butler is a senior fellow in Economic Studies at Brookings Institution.

— Maya MacGuineas is president of the Committee for a Responsible Federal Budget.

---

¹⁰ World Bank, *Beyond the Annual Budget*. 
References


