

Crisis of the Federal Budget: The so-called congressional “Super Committee”

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This week marks the deadline for the so-called congressional Super Committee to meet its goal of cutting a laughably small amount of federal spending over the next decade. In fact the Committee merely needs to cut about \$120 billion annually from the federal budget over the next 10 years to meet its modest goals, but even this paltry amount has produced hand-wringing and hysteria on Capitol Hill. This is only cutting proposed increases. It has nothing to do with actually cutting anything. This shows how unserious politicians are about our very serious debt problems.

To be fair, however, in one sense members of the Super Committee face an impossible task. They must, in effect, cut government spending without first addressing the role of government in our society. They must continue to insist the federal government can provide Social Security, Medicare, and Medicaid benefits in the future as promised, while maintaining our wildly interventionist foreign policy. Yet everyone knows this is a lie.

Keep in mind that the 2011 federal deficit alone was about \$1.3 trillion, which means the Super Committee needs to cut that much PER YEAR rather than over a 10 year period. If Congress ever hopes to address its debt problem, it must first stop accumulating any new debt immediately, in 2012.

Federal revenue likely will be about \$2.3 trillion in fiscal 2012. The 2004 federal budget was about \$2.3 trillion. So Congress simply needs to adopt the 2004 budget next year and the federal government will balance outlays and revenue. That's all it would take to produce a balanced budget right now. Was the federal government really too small just 7 years ago, in 2004? Of course not. Only Washington hysteria would have us believe otherwise.

Yet our Republican and Democrat friends on the Super Committee want to take 10 years, or even 30 years, to produce a balanced budget.

Government spending isn't just wasteful; it is often actively harmful to stated goals. The Super Committee could simply apply 2004 spending levels across the board and a tremendous victory for fiscal sanity would be accomplished.

What seems more likely, however, is a rearrangement of the tax code in an attempt to bring in more revenue. Deductions and credits will be taken away, and the Bush tax cuts will be allowed to expire. As a result, less money will remain in the private sector to create jobs and produce economic growth. The Super Committee has an opportunity to take a small baby step in the right direction. Instead, they no doubt will take this opportunity to raise taxes and make everything worse. But increasing taxes will only diminish freedom and

deepen the recession. Instead of looking for ways to hike taxes under the guise of “raising revenue,” the Super Committee should put forth a plan of real spending cuts to put America back on the path to liberty and prosperity.

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