

## **Swap Debt Limit for 'Cut and Cap'**

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Gross federal debt just hit \$14 trillion and will soon reach the legal limit of \$14.3 trillion. House Republicans are wondering what spending reforms they can extract from the Democrats for their support of a debt-limit increase.

I propose a "Cut and Cap" strategy. The GOP should insist on the \$100 billion in initial cuts they promised, and also demand passage of a legal cap on overall federal spending. A simple form of such a cap would specify that total federal outlays cannot rise more than inflation plus population growth each year. If it did, the law would require that the president sequester, or cut, spending across-the board to meet the limit.

Read the rest of Chris Edwards article at [downsizinggovernment.org](http://www.downsizinggovernment.org)  
[<http://www.downsizinggovernment.org/swap-debt-limit-cut-and-cap>]

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