



Obama's fairy tale: 29 new programs won't add any debt

By Thomas J. Lucente Jr. – February 17, 2013

With four years of trillion-dollar deficits, a national debt equal to our gross domestic product, crushing unemployment, more than 1,400 days since a federal budget and a housing market that is still severely depressed, what does the president do?

He suggests 29 new government programs. Twenty-nine!

Moreover, in a most fantastical statement, even for the political class, he claims it will not add a single dime to the deficit.

He is right. It will add trillions of dimes to the deficit.

How can an educated man such as President Barack Obama honestly believe at this point that he can add 29 more government programs without increasing the deficit? That is akin to me claiming I can go out and buy a Lamborghini without increasing my debt load.

Ain't gonna happen.

After he read America his fairy tale, I decided to compose my own State of the Union Address, one that is significantly shorter and actually grounded in reality: "The nation is drowning in debt because the president and his fellow politicians are at best fiscally irresponsible. The rest of the world reviles us because we no longer value peace. And the Republic is about to collapse under the weight of the incompetence in Washington thanks to millions of ignorant or low-information voters. It is truly a sorry state of the union. May God bless the USA."

What more evidence is there that those in Washington are destroying our nation than the fact that we seem to be operating on one fiscal crisis after another.

The U.S. Senate, thanks in large part to Senate Majority Leader Harry Reid, D-Nev., has not passed a federal budget since April 2009. Since then, we have been operating on continuing resolutions and lots and lots and lots of spending and borrowing.

When the House of Representatives passed a modest budget plan in April crafted by U.S. Rep. Paul Ryan, R-Wis., Obama vilified the plan by calling it "social Darwinism." Apparently, any plan that does not expand spending and borrowing and include massive tax increases is, in the eyes of the radical left occupying the Senate and the White House these days, unworkable.

Then there is the so-called “fiscal cliff” fiasco we faced a mere two months ago where the world was going to end if the government did not act. As usual, the government did not act. Instead, we got \$600 billion in tax increases while Congress delayed sequestration, an Obama idea that he now rejects, to March 1.

Under sequestration, a series of across-the-board spending cuts will automatically go into effect. The House has proposed ways to avoid it but the Senate is refusing to play along, of course. Not that the senators want sequestration, they just do not know what they want.

Then, on March 27, there is a potential government shutdown. This, of course, would not be happening if the president and the Congress performed their most basic and important function, which is passing an annual budget bill.

After that, we face another debt-ceiling battle come May. We hit our limit on Dec. 31, but Congress suspended the debt ceiling until May 18 in another kick the can down the road measure that seems to dominate the way today’s government deals with its responsibilities.

Sadly, none of this is necessary.

All that it would take to right our fiscal ship is a little responsibility. We don’t need massive tax hikes or massive spending cuts.

Using numbers from the Congressional Budget Office, economist Dan Mitchell, of the Cato Institute, demonstrates that a little fiscal restraint will balance our budget in short order.

With CBO projections released this month, he said we could balance the federal budget by 2018 if we simply cap government growth at the rate of inflation. Alternatively, if we cap growth at 3.4 percent a year, the budget will balance in 2023.

The government can grow at 3.4 percent a year and still balance the budget in a decade with no cuts and no tax increases.

Just a little bit of spending restraint will solve most of our fiscal problems.

Unfortunately, the children in Washington would rather play the game of crises and we, the people, will continue to bear most of the pain.