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Senior living operators can choose happiness — which really annoys some economists

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For more than half a century, the federal government has consistently been spending more than it takes in. Bill Clinton was in the Oval Office the last time a federal fiscal year passed without the benefit of red ink on the ledger. And even that fluky one-time blip was an accident.

In recent times, the problem — assuming it's safe to call deficit spending a problem — has only deteriorated. In the four years since the Great Recession was officially declared dead, the federal budget deficit has never failed to top at least $1 trillion a year.

For most of our lives, we've had to listen to experts drone on about the dire fiscal consequences we can look forward to in our dotage. For example, economists at the Cato Institute have testified that deficit spending will inevitably fuel at least three negative outcomes:

Resource transfers from higher-valued private activities to lower-valued government activities
More pressure to increase taxes in the future, which will reduce growth
Greater federal debt, which creates economic uncertainty and a higher risk of financial crises
Outside Washington, these troubling developments are usually distilled into a simpler message: We are mortgaging the future of our children, and theirs.

In fact, it was concerns about looming shortfalls that fueled the lovely Medicare sequestration cuts long-term care providers are now grappling with.

So obviously, reversing the deficit spending challenge would be a good thing, right? Depends who you ask.

The Congressional Budget Office just reported that the government's federal budget deficit is shrinking much faster than expected. More accurately, the CBO now predicts that the deficit for the current year will drop to about $642 billion, or $200 billion less than the same agency predicted in February. And that's without the benefit of sequestration-mandated reductions.

So are experts on the economy lining up for a celebratory conga dance? Not exactly.

The fear among some observers now is that really fast deficit reduction could bring a trick bag of its own. For example, The Center on Budget and Policy Priorities is claiming that job recovery might suffer if we balance the books too quickly.

So when we spend more than we take in, that's bad? And when that problem starts to go away, that's bad too? Heads you win, tails I lose?

If there's one lesson we can take from our nation's changing fiscal picture, it's this: No matter what happens, some economists are going to be unhappy. Apparently, they can't help themselves.

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