



The upside of going over a fiscal cliff

Chris Woodward - OneNewsNow - 5/29/2012 3:55:00 AM

When it comes to government budgets and spending habits, some say American is about to drive off a cliff. But one analyst wonders if that's the only way the government will learn its lesson.

In a recent appearance on Crane Durham's "Nothing But Truth" program on [American Family Radio](#), budget analyst Tad DeHaven of the [Cato Institute](#) said the figurative "driving off the cliff" does not necessarily mean calamity.

"It could be a pleasant situation where the government is forced to stop what it's doing," he suggests. "You know, you have the initial turmoil, then a lot of folks might figure out they just didn't need all these programs to begin with."

DeHaven added that state and local communities might even reassert themselves, with neighbors helping neighbors, families, churches and civic organizations.

Meanwhile, Douglas Holtz-Eakin, former director of the Congressional Budget Office and current president of [American Action Forum](#), wonders how else the government will learn its lesson.

"The question is how does one learn? If you can learn that we don't need programs by simply looking at their actual operation and [deciding] not to have them, then I would say *let's learn that lesson and not go off the cliff*," he says. "If the only way to learn those lessons is to go off the cliff, then what you're hearing is an argument that the short-run pain is worth it in the long-run."

Holtz-Eakin is optimistic that the private sector can do the right thing on the size of government and its intrusiveness without hitting the fiscal cliff.