

Obama's sea of red

Another free-spending budget

In the days and weeks leading up to the release of his budget, President Obama and his spokesmen warned us that it would contain "tough choices" and "painful cuts." Having increased government spending by 21.4 percent during his first two years in office, Obama would now be intent on imposing "fiscal discipline."

Hah! By the administration's own estimates, Obama's \$3.7 trillion budget would *raise* next year's budget deficit to \$1.65 trillion, the largest pool of red ink since the end of World War II.

Overall, it'll add nearly \$13 trillion to the national debt over the next decade. By 2020, our gross debt would reach \$26 trillion -- more than 100 percent of GDP. That is, we'd owe more than the value of everything produced in this country in a full year.

That's *without* counting the unfunded liabilities of such entitlement programs as Medicare and Social Security. Include the benefits that we've promised under those programs in excess of projected revenues, and our total future indebtedness could run as high as \$127.5 trillion.

Yes, that's trillion with a "T." We'd owe an almost inconceivable 897 percent of GDP. Greece would look like an object lesson in good government by comparison.

All this red ink comes despite the fact that the president would hike taxes by \$1.6 trillion over 10 years, including a nearly \$1 trillion income-tax increase.

Apparently, Obama still believes that we can tax our way to prosperity by penalizing the people and businesses in this country who invest and create jobs. Yes, this budget does trim some government programs. Those cuts are long overdue, and the president should be commended for recognizing that at least *some* government spending is unaffordable, wasteful or counterproductive. But Obama would also *boost* spending on other programs, a total spending hike of \$8.7 trillion over the next 10 years. In fact, if this budget were to pass, the federal government would consume 24.8 percent of GDP, up from 23.8 percent this year. That would be the second-highest ratio of government spending to GDP in the post-war era.

Worse, once entitlement spending begins to really kick in, we may look back at this as the good old days of small government. The Congressional Budget Office warns that, without drastic action, the federal government will consume 43 percent of GDP by 2050. Toss in state and local spending, and government at all levels will take roughly 60 cents out every dollar produced in this country.

No economy can survive the burden that that size government would put on it. But Obama makes no attempt to deal with entitlements in this budget. Having, with great fanfare, appointed a bipartisan deficit commission last year, he now completely ignores its recommendations. Nor does he offer any of his own. Leadership? Don't look for it here.

Of course, Republicans have been displaying their own sense of humor about deficit reduction as well. They're now embroiled in a fierce interparty fight about

whether to cut \$100 billion from nondefense domestic-discretionary spending. The usual suspects are on the table, from the Legal Services Corp. to the Corporation for Public Broadcasting, guaranteeing another round of news stories about how the GOP wants to kill Big Bird.

As with the president's budget, *any* cuts should be applauded. And at least the Republicans aren't proposing any new spending. But for all the *sturm and drang*, the GOP proposal would only reduce government spending to 23 percent of GDP, a cut of less than 1 percent of GDP.

That is because the Republicans, no less than the president, have refused to get serious about entitlement reform. In fact, the party's congressional leaders spent most of last weekend disavowing anything responsible that they had ever said about fixing Social Security or Medicare. Of course, they're willing -- *if* the president will go first -- to have "an adult conversation with the American people" about what those reforms might look like . . . someday, maybe, perhaps, but not now.

Meanwhile, the red ink grows. Unless someone in Washington decides to display a little courage, the real joke will be on us.

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