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Surplus to Deficit

Posted by Cpt. Robespierre at [10:03 PM](#)

Here's a really interesting [analysis](#) by David Leonhardt of the New York Times on how surpluses turned into deficits as large as we have today, what this might mean for the country and for politics, and what will have to be done about it.

Interestingly, he finds that Obama's policies account for only a projected 3% of the 2 trillion swing from surplus to 1.2 trillion deficit (contrary to what Republicans are alleging) and that elected Republicans favoring extensions of Bush policies and tax cuts don't acknowledge that would make the deficit much worse. The CATO institute specifically called out Republicans for that. But the Obama Administration isn't doing as much as they claim to deal with the deficit once the current recession is over, according to Leonhardt. In the end, the deficit could end up being the big political issue over the coming decade, and almost certainly we'll see higher taxes. Which is fine with me, though most people don't agree.

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