

JOHN STOSSEL: I Can Balance the Budget

By John Stossel

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The [Congressional Budget Office](#) says the current year's budget deficit will be a record \$1.5 trillion. It also says that over the next decade we're on track for annual deficits of "only" \$768 billion. I suspect the CBO has hired Rosy Scenario to do the bookkeeping, but let's take that number at face value.

I'm now going to balance the budget, with the help of some recent guests on my TV show.

I'll begin with things I'm most eager to cut. Let's privatize air traffic control. Canada did it, and it works better. Then privatize Amtrak. Get rid of all subsidies for rail. That'll save \$12 billion.

End subsidies for public broadcasting, like NPR. Cancel the Small Business Administration. Repeal the Davis-Bacon rules under which the government pays union-set wages to workers on federal construction projects. Cut foreign aid by half (although we should probably get rid of all of it). So far, that's \$20 billion. Oops. That doesn't dent the deficit. We have to do much more.

So eliminate the U.S. [Education Department](#). We'd save \$94 billion. Federal involvement doesn't improve education. It gets in the way.

Agriculture subsidies cost us \$30 billion a year. Let's get rid of them. They distort the economy. We should also eliminate Housing and Urban Development. That's \$53 billion more.

Who needs the Energy Department and its \$20 billion sinkhole? The free market should determine energy investments.

And let's end the war on drugs. In effect, it's a \$47 billion subsidy for thugs in the black market.

I've already cut more than six times more than [President Obama](#) proposed in his State of the Union address. His freeze of nondefense discretionary spending would save only \$40 billion.

But my cuts still total only \$246 billion. If we're going to get rid of the rest of the CBO's projected deficit, we must attack the "untouchable" parts of the budget, starting with [Social Security](#). Raising the retirement age and indexing benefits to inflation would save \$93 billion. I'd save more by privatizing Social Security, but our progressive friends won't like that, so for now I'll ignore privatization.

The biggest budget busters are [Medicare](#) and [Medicaid](#), and get this: the 400 subsidy programs run by HHS. Assuming I take just two-thirds of the Cato Institute's suggested cuts, that saves \$281 billion.

(See Cato's cuts at www.downsizinggovernment.org.)

How about the Defense Department's \$721 billion? Much of that money could be saved if the administration just shrank the military's (SET ITAL) mission (END ITAL) to its most important role: protecting us and our borders from those who wish us harm. Today, we have more than 50,000 soldiers in Germany, 30,000 in Japan and 9,000 in Britain. Those countries should pay for their own defense. Cato's military cuts add up to \$150 billion.

I've now cut enough to put us \$2 billion in surplus!

Can we go further? My TV show's guests thought so.

"Repeal ObamaCare," syndicated columnist Deroy Murdock said.

Reason magazine editor Matt Welch wants to cut the Department of [Homeland Security](#), "something that we did without 10 years ago."

But don't we need Homeland Security to keep us safe?

"We already have law enforcement in this country that pays attention to these things. This is a heavily bureaucratized organization.

"Cut the Commerce Department," Mary O'Grady of The Wall Street Journal said. "If you take out the census work that it does, you would save \$8 billion. And the rest of what it does is really just collect money for the president from business."

As the bureaucrats complain about proposals to make tiny cuts, it's good to remember that disciplined government could make cuts that get us to a surplus in one year. But even a timid Congress could make swift progress if it wanted to. If it just froze spending at today's levels, it would almost balance the budget by 2017. If spending were limited to 1 percent growth each year, the budget would be balanced in 2019. [And if the crowd in Washington would limit spending growth to about 2 percent a year, the red ink would almost disappear in 10 years.](#)

As you see, the budget can be cut. Only politics stand in the way.

[John Stossel](#) is host of "Stossel" on the Fox Business Network. The show airs Thursdays at 9 p.m. and midnight ET. It re-airs Fridays at 10 p.m., Saturdays at 9 p.m. and 12 midnight, and Sundays at 10 p.m. (all times eastern). He's also the author of "Give Me a Break" and of "Myth, Lies, and Downright Stupidity."

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