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This Is Going to Hurt

There is no painless way to balance the budget.

Want to know just how bad our budget problems are? The 2012 budget plan unveiled yesterday by Rep. Paul Ryan and Republican House leaders cuts federal spending by \$6.2 trillion over the next ten years — and still adds \$6 trillion to the national debt.

Yet, by and large, Americans still believe there is a painless way to balance the budget. They have a better chance searching for that pot of gold at the end of the rainbow.

That's not to say that Americans don't understand the need to balance our budget. Most Americans want spending cut and the budget balanced. In fact, a recent Reuters/Ipsos poll showed that fully 71 percent of voters oppose raising the current \$14.3 trillion debt ceiling.

But when it comes to what to cut, voters have a hard time finding anything they are willing to go without. Of course, everyone is against "fraud, waste, and abuse." And certainly there is a great deal of that in the federal budget. But there is no line item called "fraud, waste, and abuse." One can't go in and simply slice waste off the top of the budget. Rather, it is marbled throughout in ways that often defy easy cutting. Moreover, one person's boondoggle is another person's critical program.

And when it comes to programs, there are remarkably few that the public seems willing to cut. For example, we've increased federal education spending by 188 percent in real terms since 1975 without any improvement in outcomes. Yet just 24 percent of voters say they support cuts in federal education spending. A majority of Americans also oppose cutting anti-poverty programs, homeland security, aid to farmers, and funding for the arts and sciences.

Indeed, about the only program the public seems anxious to cut is foreign aid — not surprising, since voters think it consumes 10 percent of federal spending. The actual figure is slightly less than 1 percent. The public also wants to cut the benefits and pensions of government workers. They believe that makes up another 10 percent of the budget. In reality, it is 3.5 percent. That's not an argument against cutting foreign aid or the excessive benefits of government workers, but you aren't going to get to a balanced budget that way.

In fact, you are not going to get to a balanced budget by cutting domestic discretionary spending. All

domestic discretionary spending, everything from the FBI to the FDA, from the Department of Commerce to the Department of Education, makes up just 18 percent of the federal budget. You could eliminate it all, and we would still face a budget deficit this year of more than \$680 billion.

And while we are at it, 57 percent of voters oppose cuts in defense spending. Defense, of course, accounts for another 19 percent of federal spending. It will have to be on the table if the budget is ever going to be balanced.

In the end, the only real way to bring the federal budget into long-term balance is to reform entitlement programs, as Ryan has proposed doing. But here again, the public is reluctant to support cuts. According to the most recent Gallup Poll, two-thirds of Americans oppose cutting Social Security benefits. Even self-professed supporters of the Tea Party oppose cutting Social Security by 2–1. Nearly as many voters, 61 percent, oppose cutting Medicare.

On the other side of the ledger, Americans are slightly more willing to raise taxes to balance the budget — but only on the “rich,” usually defined as someone earning a lot more than they do. But, of course, taxing the rich won’t get you to a balanced budget either. Even setting aside the damage to the economy that tax increases would do, you simply can’t get enough money out of the rich to solve our fiscal problems. In fact, if you confiscated — not just taxed, but confiscated — all the wealth of every millionaire in America, you could come close to covering our current national debt. But once entitlements start to really kick in, in about a decade or so, we’d be in trouble again.

Any tax increase that would make a dent in our long-term debt would have to go well beyond the rich, biting deeply into the middle class. But tax hikes of that magnitude would devastate economic growth and prove counterproductive in the end. Simply put, we can’t tax our way out of this hole.

So if you want to know why we are in trouble, look no further than us. If we are serious about avoiding the fiscal train wreck to come, we are going to have to be willing to cut even those programs we like. There can be no sacred cows. Everything has to be on the table.

Ryan’s approach is a good start. But for the long term, it will require a 2012 presidential candidate capable of explaining the facts to an uninformed public and courageous enough to make the necessary cuts — even if the public thinks they hurt.

— *Michael Tanner is a senior fellow at the Cato Institute and author of [Leviathan on the Right: How Big-Government Conservatism Brought Down the Republican Revolution](#).*