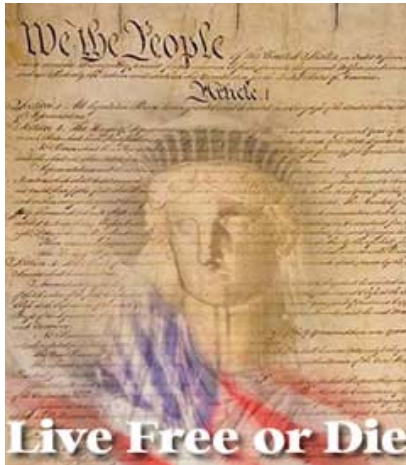.

gazette.com
COLORADO SPRINGS **The Gazette**

OUR VIEW: Federal debt must be cut the 'smart way' (with poll)

2011-07-11 16:52:32

President Obama said Monday during a White House press conference that he would not consider stopgap measures to temporarily avert the debt-ceiling crisis, saying "that is just not an acceptable approach."

Speaker John Boehner says he agrees with President Obama that the nation's borrowing limit must be raised, to avoid a government default but insists that House Republicans won't back any deal that includes tax increases.

Boehner insists the White House isn't serious enough about reforming entitlement programs.

As the U.S. Congress haggles over raising the debt ceiling, it needs to look behind the figures. Yes, the overall numbers are staggering. The U.S. government has run up so much debt that it soon will surpass the current legal debt limit of $14.3 trillion. That's $14,300,000,000,000.00.

The budget deficit for the 2011 fiscal year, which ends on September 30, is projected to be $1.5 trillion.

We've long warned that the profligate spending of the last 10 years would lead to such a fiscal disaster; the resulting outsized debt continues to be in part responsible for the economy's slow growth.

It's worth remembering that President Bill Clinton, a liberal Democrat, left office with federal spending amounting to 19 percent of U.S. GDP — and the budget was producing a surplus. Today, the percentage is nearly 25 percent of GDP, run up by too much spending first by Republican President George Bush, then by Democratic President Barack Obama.

The Republican majority in the U.S. House of Representatives is insisting on major cuts in the deficit and debt before they approve a higher debt ceiling. But they "should be focused less on a specific dollar amount of cuts than reforms of entitlements," Michael Tanner told us; he's a senior fellow at the Cato Institute. He pointed out Republicans promised $61 billion in cuts in a continuing resolution to the budget earlier this year, but the amount turned out to be just $8 billion.

And the Patient Protection and Affordable Care Act, or Obamacare, passed last year, promised to cut $500 billion from Medicare over the next decade, "but nobody believes it will happen. Unless Medicare becomes more efficient, the money won't be saved."

Structural changes to rein in spending could include a balanced-budget amendment and block-granting Medicaid to the states (which could innovate ways to save money), "things that lock in spending reductions," Tanner said.

We would add that there are some whole areas that could be cut sharply. First, Republicans need to bite the bullet and really start cutting defense spending. They could have ended spending on the Libyan war,

which President Obama started without even a scintilla of approval by Congress, but refused to do so. That war alone reportedly costs $100 million a day.

Republicans also, finally, are getting restless about the Iraq and Afghanistan wars.

(Vote in poll at right)

According to a study just released by Brown University's Watson Institute for International Studies, these two wars, and the Afghan War's extension into Pakistan, have cost $4 trillion the past 10 years, while killing an estimated 225,000 people, including more than 4,000 brave young Americans. Ending the wars is essential to balancing the budget.

Republicans still rightly honor President Ronald Reagan. They should take up his unfulfilled plan to wind down both the Energy (does the U.S. even have a coherent energy policy?) and Education departments, the latter of which doubled in cost under Bush and centralized education guidance and testing in areas that clearly should be left to state and local entities.

Tanner said that, if spending were cut back to the level of the Clinton presidency, 19 percent of GDP, the budget would be balanced by 2020.

The debt has caught up with us. It must be reduced. Let's do it the smart way. — **From the Orange County Register, a Freedom Communications newspaper.**