



Washington's Never-Ending Scam of Fake Spending Cuts

by [Dan Mitchell](#)

There's lots of talk in Washington about spending cuts, with almost everybody saying that there needs to be at least \$2 trillion of cuts in order to boost the debt limit. Since the federal budget is about \$3.8 trillion and is riddled with waste, fraud, and abuse, this sounds like great news.

But, as you can imagine, things are never what they seem in Babylon on the Potomac. As [I've repeatedly noted](#), a spending cut means [something different for politicians than it does for those of us in the real world](#). The political elite claim they are cutting spending anytime they don't increase spending as fast as previously planned.

You think I'm joking?!? I wish. Take a couple of minutes to watch this new video from the Cato Institute and you'll understand how politicians are playing us for fools.

Rather than getting sidetracked by empty rhetoric, here's the best way to understand what's really happening in Washington. Apply this simple 5-step process when a "deal" is announced. When you follow these five steps, you'll probably want to go to step 6, which is to inquire about the cost of property in Costa Rica or some other place to which you can escape when [America collapses into a Greek-style fiscal crisis](#).