

Good critical thinking about good and evil on the rails

[Law](#), [Security](#)



America is a dream country where all the dreams seem to come true. But there is another side of the medal. The nation of America is on an unsustainable fiscal path. The country spends lots of money, then cannot pay back, borrows money in order to pay debts and as a results get only more debts that leads to deficits. And the general reason of the crisis is debts, lots of debts which are supposed to be paid out. So this is a big problem that was carefully hidden, but now there is no time left and something has to be done in order to save the economics of USA and the country in general. The problem is real and the solution will be really painful. The special plan was worked out and it consists of six major components. So the first one is called " Discretionary System Cuts" that aims to force the budget discipline in Congress. Several recommendations were added in order to fulfill this part. The country has to try to keep spending the same amount of money or lower than in the previous year, to cut both security and non-security spending, to enforce caps throughout two mechanisms-points of order and abatement, to require the president to propose annual limits for war spending, to establish a disaster fund budget honestly for catastrophes, to stop the abuse of emergency spending, to fully fund the transportation trust instead of relying on deficit spending, to establish cut-and-invest committee to cut low-priority spending, to increase high-priority investment, and consolidate duplicative federal programs, to adopt immediate reforms to reduce spending and make the federal government efficient and to find additional cuts in security and non-security spending.

The second reform is a tax reform. This reform should lower tax rates, reduce the deficit, simplify the tax code, reduce the tax gap and make

America the best place to start a business and create jobs. The recommendations are following: to enact corporate perform to lower rates, close loopholes and move to a territorial system, that should include establishing single tax rate between 23% and 29%, eliminating all tax expenditures for businesses and moving to a competitive territorial tax system.

The third part of the plan is called " Health Care System". It says that health care spending represents the largest fiscal challenge. Health care absorb more and more money every year. So the recommendations are following: to reform the Medicare sustainable growth rate, to reform or repeal the class act, to enact specific health savings to offset the costs that includes increasing government authority and funding to reduce Medicare funds Reforming cost-sharing rules, restriction first-dollar coverage in Medical supplemental Insurance, reducing excesses payments to hospitals for medical education, cutting Medicare payments for bad debts and accelerating home health savings in ACA, funding for Medicaid could be reduced. Another recommendations are to aggressively implement and expand payment reform pilots, to eliminate provider carve-outs from IPAB(Independent Payment Advisory Board), to establish a long-term global budget for total health care spending.

The fourth one is included other mandatory policy that includes the following recommendation: to review and perform federal workforce retirement programs, to reduce agriculture program spending through 2020, to eliminate in-school subsidies in federal student loan programs, to give pension benefit guarantee board authority to increase premiums, to

eliminate payments to states for abandoned mines, to extend FCC spectrum auction authority, to index mandatory user fees to inflation, to restructure the power marketing administrations to charge market rates, to require Tennessee valley authority to impose transmission surcharge, to give post office greater management autonomy.

The fifth one is called “ Social Security” that is the foundation of economic security of millions of Americans. Nowadays the spending on this program is much higher than the revenues. So some sanctions are supposed to be done. So the following recommendations were offered: to make retirement benefit formula more progressive, to reduce poverty by providing an enhanced minimum benefit for low-wage workers, for the very old and the long-time disable (add a new “ 20-year benefit bump up”), to increase gradually early full and retirement ages, based on increases in life expectancy and give retirees more flexibility in claiming benefits and create a hardship exemption for those who cannot work beyond 62, to gradually increase the taxable maximum to cover 90 percent of wages by 2050, to adopt improved measures of CPI, to cover newly hired state and local workers after 2020, to direct SSA (Social Security Administration) to better inform future beneficiaries on the retirement options, to begin a broad dialogue on the importance of personal retirement savings.

So, and the last one is “ Process Reform” , including the following recommendations: to switch a more accurate measure of inflation for indexed provision, to establish a debt stabilization process to enforce deficit reduction targets, to allow cap adjustment for program integrity efforts, to review and reform budget concepts and to design effective automatic

triggers for extended unemployment benefits.

Well, by reading these pages I realized that no matter how huge problem is there is always a way out and many things could be done in order to save the situation. But not with all represented recommendations I go along with, but some of them make sense to me. So, to my mind the problem doesn't appear by itself, there is always a reason. If it is a company, the reason is a boss, because he can't rule the company good enough; if it is a country, the problem comes from the top. That is why I think the government has to start with itself. Only by changing and getting disciplined itself, the same things could be done in other spheres. I agree with the recommendation that says to reduce spending and make the federal government more efficient. This is unfair that the salary of the Congress members get increased every year- deserved or not deserved. It will be helpful if budgets of Congressional and White House get reduced by 15%/. It will save huge amount of money because the government spends lots of money on itself (\$800 million will be saved). The costs on the federal travel, printing and vehicle budgets could be reduced, because lately the costs got incredibly high. But also I liked some other recommendations. For example, in the " Discretionary Spending Cuts" part. I completely agree that the country doesn't have to spend so much money for war. Of course, in order to keep the country safe the government is supposed to spend money, and also it doesn't have to ignore spending for the conflicts and Iraq and Afghanistan, but all money has to spend wisely. The idea to make America the best place to start a business and create jobs is great and it deserves to be worked on. Tax reform would be also very helpful. The more investors come to US the better the economic situation get

to be (tax code should also help). So, lots of things could be done in minds, in dreams, in plans, but what important is to stay always realistic, to keep the eyes open and don't forget, that our future is in our hands!