

Balancing the budget

Government



**ASSIGN
BUSTER**

When it comes to the balancing of the budget, there are two words that can be used: good luck. In reality, the budget of the United States has been balanced at very few times in history and there are a number of reasons for that. In fact, to completely list all the reason throughout history would be next to impossible so it is best to examine the current budget based on the recent history associated with it. In the 1990's, the deficit of the budget had grown to enormous levels. Under President Bush 41 the deficit had become significant and this was a major factor in his re-election loss.

President Clinton did not effectively address the deficit properly and his huge tax increase combined with a potentially enormously expensive healthcare bill led to his democratic congress losing the mid-term election. This later led to major budget showdowns between the White House and the Congress and this led to numerous vetoes and government shutdowns. Shockingly, out of this chaos the budget not only ended up balanced, but a surplus emerged! This surplus, however, was to be short lived due to the unpredictable nature of the roles that will be required of government.

Part of the problem with budget reforms centers on the fact that there are a great number of situations that make predicting spending impossible. For example, no one expected to be attacked on 9/11 and this set the wheels in motion for two wars in the Middle East. Of course, the wars are not " free" and this means that there will be significant costs associated with the wars. Now, this leads to the problem that simply because there are war actions occurring internationally that does not mean that domestic spending must be stopped.

Yes, there will be a certain amount of cuts here and there, but the baseline costs of the Balancing the Budget Page 2 function of the government will also play a huge role in domestic spending as well. As such, the ability to bring a budget under control can be a somewhat difficult issue. Of course, there is also the very contentious issue of earmarks and pet projects. Sadly, a huge part of our government revolves around purchasing votes and that means enormous spending on seemingly illogical and unnecessary programs.

This has been a major bone of contention to the American people, but politicians generally had the ability to hide it better in the past hiding pork within the pages of unrelated bills. Politicians, however, are learning the hard way that in the world of the internet and 24 hour cable news channels hiding such items is not as easy as it used to be! However, it is doubtful that earmarks and pork barrel spending will ever stop anytime soon. When it comes to providing logical solutions to balancing the budget while maintaining defense spending and domestic programs the answer is simple: revenue.

How to acquire revenue is another matter. Some suggest tax cuts and others suggest tax increases...and both often do so out of ideological reasons and not out of clear examination of the goals and the ways to achieve the goals. So, ultimately, the answer still remains in increasing revenue to the federal government and there are a number of ways to attempt this, but only by putting a plan into action can one see whether it does or does not work. So, it is impossible to make a statement of how to fix the budget without drawing up a solid plan and then testing it in action.

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