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Here we go again, piling up debt

BYLINE: Lionel Van Deerlin Copley News Service

BODY:

There are certain verities anyone can understand. In pitching to Barry Bonds, you don't throw letter-high down the middle. A child never touches a hot stove twice. Water is widely favored over kerosene as a fire repellent.

How, then, to explain what President Bush is up to? Advisers say the president plans still more upper-bracket tax cuts at the very moment he has asked Congress for the right to incur more debt. You heard it right, and here we go again. Fiscal experts say that about six weeks from now the nation will have reached its legal debt limit. Should Congress fail to raise the bar, Treasury officials would be forbidden by law from releasing funds for any appropriations beyond the statutory limit.

Must we worry? At risk, anyone can see, would be government payrolls, support of our fighting forces overseas, retiree pensions and everything else from freeway funds to meat inspection.

So, of course, it won't happen. Old hands look on all this as a sort of game - one that has been played for more than 60 years. In 1940, on the eve of World War II following eight years of New Deal economic recovery, a pious Congress thought it could discourage excess government spending by fiat - just set a statutory limit beyond which further outlays would be prohibited.

The debate accompanying this exercise in frugality reads like Abbott & Costello. And since the rules of Congress impose no restraint on demagogues, a majority voted to end the evil of unbalanced budgets - presto, by making them unlawful. If future Congresses exceeded an authorized limit - then, by gum, there'd have to be another vote raising the limit.

Which is precisely what has been done, again and again, since that moment of high resolve 62 years ago. If the debt limit ever was taken seriously, it surely has proved the most conspicuous disappointment for reformers since Prohibition. At its outset, the barrier against deficits was set at \$49 billion. Raised repeatedly (and always reluctantly, we're asked to believe) in the intervening years, the limit now stands at \$6.4 trillion.

My own modest capabilities are equal to this one. You don't need Isaac Newton to tell you the original cap has since expanded 130 times over.

They'd avoid saying so where anyone could hear, but none of the dozen presidents who have had to operate under the debt limit could have been happy with it. Because every so often (indeed, no fewer than 90 times as the debt increased) they've called on Congress to raise the bar. This invariably gives political opponents or hostile editorial writers a chance to vent scorn on (ugh!) Big Spenders.

We're all familiar with something called "supply-side" measures to kick-start the economy. The last president who waved such a wand was Ronald Reagan. He wrung record tax cuts from Congress 20 years ago while military budgets soared out of sight. The fairly predictable result was massive deficits which, in Reagan's eight years, sent the **national debt** from just under \$1 trillion to fully \$3 trillion.

On precisely 18 occasions during his eight White House years, Reagan requested a higher debt limit to support his vision of "the city on a hill."

The most damning indictment of all this - and, inferentially, of the dubious carbon copy our 43rd president now pushes - comes from the arch whistle-blower of all time, David Stockman. A young Michigan congressman who was installed as Reagan's first budget director, Stockman helped devise the supply-side strategy that promised economic bliss and balanced budgets by 1984. Upon moving to a Wall Street brokerage house in 1986, he left a written condemnation of the disaster that came to be called Reaganomics. ("The Triumph of Politics: Why the Reagan Revolution Failed.")

Stockman's message seemed simple enough. From their outset, he viewed Ronald Reagan's tax cuts as a sham to relieve people in the top brackets - and certain to produce record deficits as far as the eye could see.

Which, of course, is why the legal debt level had to be raised more often than every six months under both Reagan and the first George Bush.

And although today's White House spin doctors become effusively defensive in explaining things, the tax increases effected under Bill Clinton in 1994 produced the first balanced budgets in nearly 20 years. And they were accompanied by the longest sustained economic boom anyone can remember.

Bush courtiers are quick to claim that things were cooling off before Clinton left office. True or not, his replacement seems leading us toward a familiar treadmill again.

The treadmill of debt, that is.

Lionel Van Deerlin, former congressman, is a contributing writer for The San Diego Union-Tribune.

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