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Too Much Debt

The Bush administration is asking Congress to raise the federal debt limit by \$750 billion. I hope Congress says no.

The federal government's present debt stands at about \$6 trillion. Raising the limit would allow the government to borrow more. The annual interest costs of this debt now are more than \$362 billion. Those were the costs in fiscal year 2000, and incidentally, in that fiscal year, the interest costs exceeded the Defense Department's appropriation.

For a while, there was a lot of talk about surpluses, though this was based on accounting tricks that would make Enron executives blush. Now the talk is that we have a war, and so we need to run deficits that not even accounting tricks can hide. This is very dangerous for the future of our country.

The \$6 trillion debt is a real debt owed to real people and corporations, both domestic and foreign. Politicians used to say in less sophisticated days, "Oh, don't worry, after all, we owe this money to ourselves." No one can get away with that baloney anymore. We don't owe it to ourselves. We owe it, in global terms, mostly to a handful of rich people and big corporations. They expect to get paid, and should the day come when they doubt the ability of the U.S. government to pay, they can wreck our economy by dumping the bonds on the market.

Nations, like corporations, can effectively go bankrupt, and for the exact same reason: outgo exceeds income. In theory, governments can't go bankrupt because of their power to tax. That's theory. Practically, there are limits to how much you can tax before people revolt. Furthermore, no matter what your rate, people with no income or low income aren't going to have much money to kick into the kitty. And either no or low income increasingly looks like the future for all but a small percentage of American workingmen and - women.

This \$6 trillion debt represents money already spent, and our children, grandchildren and great-grandchildren will have to pay it without receiving anything for it. We have consumed whatever the \$6 trillion bought, and instead of being responsible and manly, we dumped the cost of our indulgence on the backs of future generations.

There is a group of pretty sensible congressional representatives who belong to what they call the "Blue Dogs" coalition. They are fiscally conservative Democrats, and they are pointing out that the Bush administration is asking for this increase in the debt ceiling without having offered any plan at all to fix Social Security and Medicare, both of which are heading for a train wreck unless adjustments are made. In other words, the Bush administration has no financial plan.

While presidents present requests in the form of a budget, the constitutional authority for all expenditures and revenues lies with Congress. Let us urge our representatives to toss the Bush budget in the trash can and construct a more responsible budget that will not jeopardize future generations.

There are two better ways to pay for the war than borrowing at interest. One, you can cut existing, nonessential programs and spend that money on the war. Or you can enact a temporary war tax, so that we can pay as we kill. All these war hawks among the neoconservatives should welcome a war tax, since they are such hot-to-trot advocates of war.

The Pentagon says that five months of war in Afghanistan — and it's far from over — have cost \$30 billion. As I've pointed out, that's because we are using million-dollar bombs launched from multimillion-dollar aircraft to blow up pickup trucks and kill a few scraggly guerrillas hiding in caves. The al-Qaida and Taliban dead are the most expensive casualties in human history. That's a cruel irony, because they themselves were dirt-poor, wearing mostly rags and carrying worn-out Soviet rifles and rocket grenades.

I know the president wants to protect the country, but if he bankrupts us in the process, he will have done more damage than the terrorists.

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