

denverpost.com

Mandate for a balanced budget

By Newt Gingrich and U.S. Rep. Mike Coffman

Posted: 05/30/2010 01:00:00 AM MDT

The crisis of budgeting in Greece, California, New York and New Jersey are warning signs of the coming crisis of government in Washington, D.C.

A responsible government does not spend any more on necessary government than it collects through a taxation system that maximizes economic growth, jobs, wages, family income and overall prosperity for working people. In Washington today, irresponsible leaders are putting our nation's future in jeopardy by borrowing trillions of dollars more than it can collect in taxes to pay for unnecessary government and in the process making changes to our taxation system that distort economic growth, kill jobs, and make our fiscal outlook even bleaker.

Our national debt is more than \$12 trillion, having doubled in the past eight years. The Obama administration's 10-year budget forecast predicts the national debt will triple to \$17.5 trillion by 2019. When Medicare and Social Security spending are included, the debt is closer to \$65 trillion.

If these numbers do not improve in the next 15 years, the national debt will exceed 100 percent of gross domestic product (GDP), meaning the federal government will owe more than the entire value of the American economy. No nation can endure such reckless spending. So what to do?

An essential first step is that candidates for Congress in 2010 commit to balancing the federal budget by 2015 without raising taxes. Balancing the federal budget is not a wild-eyed dream. It can be done. We know because we balanced the budget in the 1990s for four straight years without raising taxes.

It begins with electing representatives who are committed to the principle of balanced budgets. We held spending at an annual increase of 2.9 percent from 1996-99 (the lowest since the 1920s), and the result was balanced budgets for four years in a row beginning in 1998, where the Treasury paid off \$405 billion in debt, 14.3 million new jobs were created, charitable giving increased, and welfare reform led to falling child poverty rates and 2.5 million families leaving the welfare rolls.

The key to achieving these balanced budgets in 1990s was adhering to the principle that the budget would be balanced through spending reductions, government reforms, and the adoption of incentives that reward work, savings and investment — all without raising taxes. We can balance the budget again today if we adhere to the same principle.

We got to our current fiscal predicament because of too much spending; we will start to get out of the problem by cutting spending. We need a spending commission, not the deficit commission the president created. The White House Deficit Commission should therefore rule out any tax increases and focus solely on spending cuts. The focus should be on replacing, not just reforming, failed institutions.

We also need to reward work and savings and investment, which will create new wealth and new jobs. But the first step is for candidates to commit to a balanced budget and for voters to support such a commitment.

Judging by the failure of this Congress to even prepare a budget, a commitment to a balanced budget is only going to grow large enough to have an impact in the context of an election campaign.

A constitutional amendment to require a balanced budget is just the reform that can concentrate

the minds of voters and rally them in favor of an effort to balanced budgets. We are encouraged that Democrats and Republicans are committing to support H.J. Res 1, the Balanced Budget Amendment.

Balanced budgets, declining federal debt, lower taxes, low interest rates, and government reform is a recipe for prosperity. It's not a secret. This is what we did to achieve prosperity in the 1990s. We can do it again.

Read more at the [Denver Post](#) .