

Government Spending

COMMUNITY COMMENT
~~December 2011~~ Alternate 3

3-14-12

This is Phil Arnot for Community Comment on KINS Radio.

It is unbelievable that the House of Representatives through the Republican leadership introduces a balanced budget amendment and it fails to get the two thirds majority. This Country needs a balanced budget amendment because government spending has run amok.

A report from US Global Investors gives us this information. The tax revenue in this Country is two trillion one hundred and seventy billion dollars. The Federal budget is three trillion eight hundred and twenty billion dollars. This means that we will create new debt of one trillion six hundred and fifty billion dollars this fiscal year. We will add that figure to current national debt of fourteen trillion two hundred and seventy one billion dollars. The recent budget cut amounted to thirty eight billion five hundred million dollars.

This report says now take this the next step and report it as family income. The annual family income would be \$21,700.00, but the amount of money the family spent was \$38,200.00. They created new debt on their credit card of \$16,500.00, but the outstanding balance on their credit card is \$142,710.00 and now they are only going to cut \$385.00 from their budget.

This Country needs to have fewer regulations that would allow people to invest and get this economy back on its feet. When President Bill Clinton deregulated the telecommunications industry in the 1990's, the power of the internet was unleashed. The financial sector was also deregulated during this same period and tremendous growth followed until the 2008 crisis which was brought on by excessive lending practices of Fanny Mae and Freddie Mac.

The proposed solutions of our current administration would increase taxation and increase regulations and thus shake Americans confidence in US business. Government continues to grow while the private sector has meager job growth. The private sector has had job growth of only 1.4% since March of 2010 while at the same time Federal jobs was just over 5% according to Investors Business Daily.

The unattended consequence is the extraordinary cost to American businesses. A 2010 report developed by Small Business Administration pegged the cost of Federal regulations at one point seven five trillion dollars, nearly 12% of America's gross domestic product. All the government is doing is creating an atmosphere of uncertainty where businesses can't put ideas and capital to work. According to this article, companies with fewer than twenty employees bear a disproportionate share of the Federal regulatory burden with total cost per employee exceeding \$21,000.00. This is all according to the Small Business Administration.

I leave you with a point to ponder. Don't you think that unless we as voters, taxpayers and investors persuade our administration to act differently that government leaders will just continue to enact regulations that will harm the private sector.

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