



Written by [Ralph R. Reiland](#) on February 5, 2010

## Obamanomics Digs America Into Deeper Hole

We're already on the hook for about a half million dollars per household just to pay for the unfunded liabilities in Social Security and Medicare, according to David M. Walker, former comptroller general of the United States and head of the Government Accountability Office from 1998 to 2008.



"The Peterson Foundation calculated the federal government accumulated \$56.4 trillion in total liabilities and unfunded promises for Medicare and Social Security as of September 30, 2008," states Walker, president and CEO of the Peter G. Peterson Foundation. "The numbers used to calculate this figure come directly from the audited financial statements of the U.S. government."

Explains Walker, breaking down this liability to per family and per capita levels, "If \$56.4 trillion in financial commitments is too big a number to digest, think of it as \$483,000 per American household, or \$184,000 for every man, woman and child in the country."

Actually, it's double that, more like \$1 million per household, for the top half of the nation's income earners who pick up the lion's share of the federal tab. For tax year 2007, the Internal Revenue Service reports that the top 50 percent of income earners paid 97.11 percent of total amount collected in income taxes.

Digging deeper and faster into this fiscal hole, President Obama's proposed budget raises the nation's level of red ink by record-breaking amounts over the next 10 years.

"The proposed budget over the next decade would rack up \$45.8 trillion in new spending, \$9.1 trillion in deficits and more than \$2 trillion in higher taxes on Americans," states *Investor's Business Daily*. "It will double the national debt held by the public to over \$18 trillion, while raising taxes on 3.2 million small businesses and upper income taxpayers — the very people the administration is counting on to pull us out of recession."

Obama's big idea is that we can beg and borrow our way to an America with more windmills, tinier cars, costlier schools, and more jobs — all while making things more equal by taking more money out of the pockets of the people who create the jobs.

"Jobs will be our number one focus in 2010 and we're going to start where most new jobs do, with small business," explained Obama last week. "Small businesses have created roughly 65 percent of all new jobs over the past decade and a half and I think we should make it easier for them to open their doors and hire more workers."

And making it "easier" is somehow supposed to be in tune with his call for higher income taxes on the top two brackets, new health insurance mandates, higher taxes on dividends, more unionism, higher



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inheritance taxes, and higher energy costs via cap-and-trade.

On just the income tax proposal, the Tax Foundation estimates that Obama's proposed tax increase on the top two income brackets would amount to a \$30 billion annual tax hike on the owners of small businesses.

Explains Susan Eckerly, senior vice president of the National Federation of Independent Business, the nation's leading small business organization, linking the agenda of Obama and the Democrats in Congress to the lack of job growth, "Until small businesses are confident that Washington will not increase the cost of doing business through higher taxes, healthcare mandates and increased energy costs, small business owners will continue to stay on the sidelines when it comes to hiring and expanding their businesses."

The result? Unsustainable debt and a botched recovery.

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