Written by Michael Tennant on August 31, 2011

## Democrats Propose Toothless Balanced Budget Amendment

One Senator, in fact, is doing just that. Sen. Mark Udall (D-Colo.) has proposed an amendment with more holes than a piece of Swiss cheese — "the worst idea of them all," according to <u>Colin Hanna</u>, president of the Pennsylvania public-policy organization <u>Let Freedom Ring</u>. While Udall's amendment does require the President to submit a balanced budget to Congress, it also provides Congress with several ways to skirt the same requirement for the budget it passes.

For instance, if 60 percent of both houses of Congress votes to override the balanced budget requirement for the current fiscal year, it's a goner. (Hanna notes that this "effectively applies only to the House, since the Senate typically requires 60% for nearly everything already.") Even if both houses were evenly divided between Republicans and Democrats, it wouldn't take much logrolling to get slightly more than half the members of each house to vote to spend in the manner to which they have become accustomed. And woe to those holdouts who don't want to shell out for, say, disaster relief, argues blogger Randall Smith: "You think the rhetoric around the debt ceiling was bad? Every time someone wants new deficit spending, they're going to be all up in the news yelling about how members of the opposition are 'terrorists' because they won't let Congress spend."

Congressmen and Senators who might be wary of going on the record in favor of deficit spending by voting to suspend the balanced budget requirement will find an even more insidious means of escape in Udall's amendment. The amendment states that the budget need not be balanced "during any fiscal year in which a declaration of war is in effect or in which the United States is engaged in military conflict which causes an imminent and serious military threat to national security and is so declared by a joint resolution, adopted by a majority of the whole number of each House, which becomes law."

"That gives Congress the perverse inventive [sic] to ensure that the United States is engaged is [sic] a







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military conflict somewhere to ensure that they can spend whatever they want," Smith observes.

Then again, Congress hardly needs much prodding to vote for foreign intervention, as Hanna makes clear with his rhetorical question: "In how many of the last twenty years or so would that loophole have not applied?" Moreover, he maintains, the military-conflict loophole also makes a mockery of the supermajority requirement for a balanced budget override since "some kind of vague resolution supporting a military action would need only a simple majority of both houses to pass."

The amendment moves Social Security, one of the biggest budget busters, off-budget and protects it in perpetuity. Only a politician could so brazenly attempt this kind of sleight-of-hand. Try applying for a bank loan while arguing that the payments on your new Mercedes — the one you can't afford on your current salary — shouldn't count against you because you've declared them "off-budget." Furthermore, try telling the loan officer that regardless of the bank's concerns over your finances, there is no chance that you're going to sell the car, no matter how impossible it is for you to afford: "Once Social Security is enshrined in the Constitution, there's no way to eliminate or replace it," avers Smith.

This being a Democrat proposal, it wouldn't be complete without a little class warfare, and Udall doesn't disappoint. Under his amendment, Hanna writes, "Congress would not be allowed to provide any tax loopholes or reductions to people earning over \$1 million a year unless the federal budget was in surplus." That pretty much rules out tax cuts for the very wealthy for good. However, as Smith reminds us, \$1 million ain't what it used to be; and with the Federal Reserve continually printing money to keep Uncle Sam afloat, it may not be long before \$1 million is pocket change (see 1923 Germany or 2008 Zimbabwe), at which point no one will be eligible for a tax cut.

In short, Udall's proposed Balanced Budget Amendment is a sham — but one likely to be supported by Senate Majority Leader Harry Reid (D-Nev.) and "a cohort of Democrats who are in tough fights for reelection in 2012," Hanna says. "For political reasons, they want to be able to say they support a balanced budget amendment, but they don't really want their hands tied when it comes to future spending. It is a cynical political ploy to provide political cover, not a genuine attempt to restrain overspending and impose fiscal discipline."

This is not to say that Republican proposals will turn out to be any better or, should they be added to the Constitution, any more effective at restraining spending. As <u>Chip Wood</u> points out, a Jimmy Carterera law already demands that the budget be balanced, yet that statute "has never been obeyed." "If the big spenders in Washington won't obey this law," Wood asks, "what makes you think they'll obey another one that says essentially the same thing?"

The only solution to federal overspending — other than simply waiting for the inevitable but extremely painful day of reckoning — is for voters to "come to understand that it is our responsibility to make certain our Representatives honor their oath of office and keep their actions constrained within the scope and bounds established by the Constitution," in the words of <u>Scott N. Bradley</u>. "If Congressmen were simply to honor their oaths of office to abide by the Constitution," he explains, "the deficit problem would take care of itself."

The Balanced Budget Amendment is but one of the many empty promises of future spending reductions comprising the debt ceiling deal. Like all the others, its purpose is to distract voters' attention from the fact that Congress just allowed the nation to go trillions of dollars further into debt without even the slightest attempt to enact immediate and significant spending cuts. Let's hope voters keep their eyes on the main event — forcing elected leaders to abide by the Constitution and seriously reduce outlays —



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not the sideshow.



Photo of Mark Udall: AP Images



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