



Written by [Michael Tennant](#) on May 9, 2012

Romney Takes Swipe at Ron Paul's Budget Blueprint

For a man who seems to have the Republican presidential nomination sewn up, former Massachusetts Gov. Mitt Romney's decision to attack the policies of his only rival who has not dropped out of the race, Rep. Ron Paul (R-Texas), is curious indeed. Paul has proposed slashing \$1 trillion from the federal deficit in his first year in office and balancing the budget in three years. He has argued that much of this deficit reduction could be achieved by ending America's overseas military operations, closing foreign bases, and bringing the troops home.



Romney, however, will have none of it, reports the [Washington Times](#).

"My job is to get America back on track to have a balanced budget," he told attendees at a suburban Cleveland town hall event Monday. "Now I'm not going to cut \$1 trillion in the first year," he added — a clear jab at Paul's plan.

"Why not, someone in the crowd apparently asked," according to the *Times*.

"The reason," Romney explained, "is taking a trillion dollars out of a \$15 trillion economy would cause our economy to shrink [and] would put a lot of people out of work."

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This, of course, is pure Keynesian economics — the idea that the economy cannot grow without massive government spending. History proves otherwise: The economy stagnated while the government spent more and more during the Great Depression, but it took off when federal spending plummeted after World War II.

For all his vaunted business acumen, Romney has apparently forgotten that the government cannot spend \$1 trillion without first taking it from the private sector. Therefore, if the government fails to spend that money, it is not being taken out of the economy; it is merely being left in the hands of its rightful owners. As a result, it gets put to use meeting people's needs and improving their standard of living. When the government takes it, however, it is used to meet politicians' desires for reelection by redistributing wealth and rewarding political cronies. One trillion dollars left in the private sector will do infinitely more good than that same cash will do when confiscated by government.

That Romney believes money is better spent by bureaucrats than by businessmen is evident from his own budget blueprint. Romney, says the *Times*, "has laid out a fiscal plan that aims to cap federal spending at 20 percent of GDP and bring the budget into balance by 2020," taking four more years than Paul to balance the budget and leaving spending as a higher percentage of GDP (Paul has proposed limiting it to 15.5 percent).

Yet Romney's plan, unlike Paul's, is light on specifics; and by starting with very modest objectives, he is likely to achieve next to nothing once the necessary political compromises occur. Moreover, even if he



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were to get everything he claims to want, the national debt would still grow \$2.6 trillion by 2021, according to [U.S. Budget Watch](#). Paul, by contrast, would actually reduce the debt by \$2 trillion, the organization calculates.

In addition, while Paul is unafraid to confront the military-industrial complex — “The one thing we have to come to realize is military spending is not equivalent to defense spending,” he [said](#) last October — Romney is a full-throated supporter of it. The *Times* notes that he “opposes cuts to military spending, which currently accounts for about 18 percent of federal outlays.” Romney, the paper continues, “drove the point home” at a Virginia campaign stop last week, where he said “he will add new ships to the U.S. Navy, add new aircraft to the Air Force and add 100,000 active duty personnel.” Thus, Romney not only has declared almost one-fifth of the federal budget off limits but also has proposed expanding it — hardly the mark of a serious budget cutter.

Why, one wonders, has Romney decided to distance himself from Paul’s budget proposals at this time? Is he trying to assure the electorate at large that, unlike his most conservative rival for the GOP nomination, he is a moderate who won’t threaten any of their favorite government programs? Or is he trying to send a message to the Paul camp, to wit: No matter how many convention delegates your man racks up — and Paul has been doing [quite well](#) for himself in this regard lately — his ideas will not be considered by either the Republican Party or a Romney administration?

Whatever the reason for Romney’s sudden urge to denounce Paul’s plan, it provides further evidence that the GOP is once again preparing to offer voters no real alternative to the Democratic candidate for President. It was, after all, Obama’s then-budget director, Jacob Lew, who [declared](#) in February that “the time for austerity is not today.”

Romney, it appears, is [an echo, not a choice](#).

Photo: Republican presidential candidate Mitt Romney speaks at a town hall-style meeting in Euclid, Ohio, May 7, 2012.: AP Images



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