



Written by [Wallis W. Wood](#) on July 22, 2011

The Left Baited a Trap: the “Balanced Budget Amendment”

I just got a promotional email from Regnery Publishing, one of my all-time favorite book-publishing companies. I can't count the number of truly important titles it has issued, from *Witness* to the whole “politically incorrect guidelines” series. My shelves are filled with things it has done, including numerous best-sellers.

But the most recent email promotion I got from Regnery stopped me short. The subject line read, “Amending the Constitution Is Our Only Hope.”

Our only hope to save our Republic? I hope Regnery doesn't mean it. Because the amendment process is long, arduous, and often unsuccessful. (And frankly, even when it's successful, it could turn out to be a mistake.)

The subhead continued, “Washington Is Incapable of Controlling Spending. There Is Only One Solution Left.” No, Regnery isn't advocating armed insurrection. Or even tar and feathers. The copy insists, “By doing what our Founding Fathers would do: adopt a balanced budget amendment.”

If the Founding Fathers had wanted to do it, they would have done it. I happen to think they did a darned good job on the 10 Amendments they did give us. (I also think most of the ones that followed made things worse for this country, not better. But that's a column for another day.) The email from Regnery is for a new book by Senator Mike Lee (R-Utah) called *The Freedom Agenda*. I haven't read it, but I guess I'd better. The ad for it says the book “proves why a balanced budget amendment is the only way to rein in spendthrift politicians and cut back government overreach.”

I couldn't disagree more. We don't need a balanced budget amendment, as I'll show you in a moment. And I think passing one would be dangerous. Let me explain why.

A balanced budget amendment, even if approved by two-thirds of the states, doesn't mean that government spending will be reduced by a single penny. In fact, just the opposite is likely to occur. Because of automatic increases that are already included in much of our legislation, unless Congress decides otherwise, federal obligations in the future are much more likely to increase than decrease.

One important example is interest payments on the national debt. For a variety of reasons, from the real estate collapse to meddling by the Federal Reserve, interest rates in this country have been kept artificially low for years. But what happens when they start to climb?

Look at the numbers, folks. Our acknowledged federal debt is somewhere north of \$14 trillion. Our average interest payments for all of that borrowing come to about 1.5 percent. While that's a bargain today (where can you borrow money at such a low rate?), it still means we taxpayers have to fork over about \$200 billion a year, just to pay the interest on the national debt.





Written by [Wallis W. Wood](#) on July 22, 2011

What happens when that rate starts to climb? Right now, Ireland must promise to pay 14 percent to get anyone to lend it money. Greece has to fork out even more. I'm not saying our interest rates will ever get that high. But what happens when they double or triple from here, as I believe is all but inevitable? Where is the money going to come from to pay them?

I agree that we should balance the budget. But not if the politicians in Washington decree that we need to increase revenue to do so.

The most important thing isn't to balance the budget; it's to slash spending.

If a requirement gets added to the U.S. Constitution that Congress must pass a balanced budget, one horrible alternative seems frighteningly clear to me: We will be forced to raise taxes to comply with the law.

I can see the editorials in the *New York Times* and the *Washington Post*. The editorial writers won't be so juvenile as to gloat; but I wager they will smirk a bit. Because they will know that we have fallen into a trap that they baited for us.

Yes, I think a balanced budget amendment could be dangerous. But I'm against it for a second and more basic reason: We don't need it.

Thanks to the foresight of our Founding Fathers, the solution is already in the U.S. Constitution. Article 1, Section 7 of that marvelous document requires that all spending bills originate in the House of Representatives.

If the House doesn't approve it, the President can't spend it. Period.

Does Congress really want to reduce spending? The answer is obvious: Don't authorize the expenditure. Want to force the Department of Education (or any other Federal agency) to spend less? Don't vote them more money. Want to force the Transportation Security Administration to stop groping old ladies and young children? Cut off its funds. Want to trim the military budget by a few hundred billion dollars? Reduce the appropriations and let the bureaucrats in uniform decide which bases to close and which troops to bring home.

Until last year, getting the House to reduce expenditures for anyone and anything seemed like a hopeless dream. Heck, when the Democrats were in charge, they wouldn't even abolish the subsidy to mohair producers. (This sweetheart deal went back to World War II, when the military wanted to make sure it had enough cloth for all the uniforms it required. They switched to synthetics more than 50 years ago, but like old man river, the subsidy just keeps rolling along.)

Unlike last year, there is a Republican majority in the House this time. I know; I know; we've had one before. And under every previous Republican president, including Ronald Reagan, federal spending just kept climbing.

I think this House is different. There are a bunch of tough-minded freshman who reject the old adage that you have to go along to get along. They aren't going to meekly accept any deal that requires higher taxes and more borrowing. I hope I'm right about this. And I hope you'll do everything you can to make certain your representative is in this group.

We know that Barack Obama won't play fair. He's already threatened to cut off Social Security checks to older Americans if he doesn't get his way. Senator Jim DeMint (R-S.C.) pointed out that even if Social Security tax receipts don't cover all of the checks some month, the Social Security Trust Fund can sell some of the government bonds, bills and notes it owns. The Trust Fund holdings are enormous; even if



Written by [Wallis W. Wood](#) on July 22, 2011

it had to sell some at a discount, it could raise enough money to cover its checks for years.

And please don't say anything to me about the government defaulting on its debts. There is more than enough money coming in every month for Uncle Sam to pay the interest on all those IOUs, as I've proven in previous columns.

Should the federal government be forced to live within its means, just like thee and me? Absolutely! Do we need a constitutional amendment to do this? Absolutely not.

The Constitution is fine just as it is. Congress already has all of the remedies it needs, if it will only use them. If the present Congress doesn't have the intestinal fortitude to do so, then let's get some new faces with stronger backbones next year.

Until next time, keep some powder dry.

Chip Wood was the first news editor of *The Review of the News* and also wrote for *American Opinion*, our two predecessor publications. He is now the geopolitical editor of *Personal Liberty Digest*, where his *Straight Talk* column appears weekly. This article first appeared in [PersonalLiberty.com](#) and has been reprinted with permission.



Subscribe to the New American

Get exclusive digital access to the most informative, non-partisan truthful news source for patriotic Americans!

Discover a refreshing blend of time-honored values, principles and insightful perspectives within the pages of "The New American" magazine. Delve into a world where tradition is the foundation, and exploration knows no bounds.

From politics and finance to foreign affairs, environment, culture, and technology, we bring you an unparalleled array of topics that matter most.



[Subscribe](#)

What's Included?

- 24 Issues Per Year
- Optional Print Edition
- Digital Edition Access
- Exclusive Subscriber Content
- Audio provided for all articles
- Unlimited access to past issues
- Coming Soon! Ad FREE
- 60-Day money back guarantee!
- Cancel anytime.