
End the Bush Tax Cuts

By Editor Test *Wed, Nov 3, 2010*

If we're serious about reducing the deficit and sparing our grandchildren a legacy of debt, it would be irresponsible to do anything else.

Now that the Republicans have recaptured the House of Representatives—the returns showed a whopping 246-189 advantage for the GOP as of 11 p.m. Eastern time yesterday—we can look forward to gridlock or worse in Washington over the next two years. Forget compromise or progress. Any conservative legislation (or investigation) that the House leadership cooks up will either die in the Senate or perish under the President's veto pen.

During the lame duck session, however, the Democrats will have to face the dilemma posed by the Bush tax cut extensions. I hope they eliminate the tax cut entirely. Not just for individuals earning over \$200,000 a year and couples earning over \$250,000. For everyone. If we're serious about reducing the federal budget deficit, this should be a no-brainer.

For anyone who wants to avoid burying our children in debt, any other course of action would be tantamount to financial infanticide. Extending the cuts indefinitely for everyone would add \$3 trillion to the national debt over the next 10 years, according to the recent [Pew Fiscal Analysis Initiative](#). Extending the cuts to those earning under a quarter or a fifth of a million dollars a year would still add \$2.3 trillion to the debt.

Killing the tax cuts will be spun as a tax hike. Conservatives will prefer to sustain it with cuts in spending. But where will the cuts come from? A 10% across the board reduction in Social Security benefits over the next 10 years would offset only 36% of the cost of keeping the cuts for another 10 years, the Pew research shows. Eliminating foreign aid would offset another 12%. It would take an across-the-board 6.8% cut in all government spending (except debt service) over the 10 years to cover the entire cost of extending all the tax cuts during that time. That's what it would cost just to *break even* on the cuts.

If we're serious about reducing the deficit, perhaps we should eliminate the Bush tax cuts *and* cut federal spending by 6.8%. Better yet, we should focus on shrinking two of the largest and least productive burdens on the public purse: the bloated medical industry and the Cold War military machine. We should spend less on heroic life-saving measures for 90-year-olds, and we should stop wasting money (and the lives of 19-year-olds) on foreign wars. The ill-conceived, badly executed adventures in Iraq and Afghanistan have cost over \$1 trillion, and we have nothing to show for it but grief.

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