

A LOOK AT...

Uncle Sam's Red Ink

Everyone knows deficit spending is a bad thing. Don't they? Maybe not. We offer two views and some historical context about a nation born in debt.

Debt Is Making Us Poor

By Joe DioGuardi

Every year, the U.S. government runs a deficit which it adds to the accumulated national debt. The effect is that people don't realize how much the government is actually spending. But what if the government had to tell you just what that shortfall was every year?

As a certified public accountant and former member of Congress, I believe that every citizen has the right to know the real cost of government. So I've converted the annual budget of the United States into a credit card statement.

Note there is a regrettably large previous balance due on your account. This is your share of past spending. When your real credit card company notices that you have reached your limit, it cuts you off. Not so with Congress.

Maybe that would change if we had understandable financial statements mailed to all taxpayers. Then we could talk about moving Election Day to April 15.

Joe DioGuardi, chairman of Truth in Government, was a congressman from New York from 1985-1989.

U.S. TAXPAYER CONGRESSIONAL CREDIT CARD STATEMENT

U.S. GOVERNMENT
WASHINGTON, DC

JOHN & MARY TAXPAYER
ANYTOWN, USA

FISCAL YEAR 1996
OCTOBER 1, 1995 - SEPTEMBER 30, 1996

DESCRIPTION	CHARGES	PAYMENTS
PREVIOUS BALANCE DUE (Your Share of the National Debt at Beginning of Year)		\$43,252.03
Purchases During Year (Your Share)		
Social Security	\$3,040.64	
Medicare	\$1,515.00	
National Defense	\$2,307.52	
Income Security and Welfare	\$1,959.03	
Health	\$1,033.63	
Education, Training, Employment	\$441.75	
Agriculture, Natural Resources	\$275.41	
Transportation	\$335.57	
Administration of Justice	\$152.91	
Other	\$791.83	
Payments Received During Year (Your Share)		
Individual Income Taxes (Thank you for your prompt payment)		\$5,707.97
Corporate Income Taxes		\$1,494.12
Social Security Taxes & other contributions		\$4,429.70
Miscellaneous Taxes and Fees		\$1,000.93
TOTALS	\$11,854.29	\$12,632.72
Finance Charges (Your Share of the Interest on the National Debt)		
Paid directly to the public	\$2,096.93	
Paid into public trust funds holding government debt	\$862.61	
TOTAL FINANCE CHARGES	\$2,959.54	
National debt held by the public (Your Share)		\$32,850.52
National debt held by gov't. trust funds (Your Share)		\$12,582.62
New Balance Due (Your Share of the National Debt at the End of Year)		\$45,433.14
Previous Balance	Purchases	Finance Charges
Payments	BALANCE DUE	
\$43,252.03	\$11,854.29	\$2,959.54
\$12,632.72	\$45,433.14	

