

## Deficit Repairs

It is well known that Federal Deficit repairs have almost always been handled by having a combination of the Federal Government selling more bonds and the Federal Reserve creating more money than the actual economic growth at the time could support. This works well for almost every administration due to the fact that the resulting inflation troubles, created from the Federal Reserve side, will not be experienced for a few years and by then the leaders, who caused the problems, are long gone. It is important to understand that the inevitable economic failure is based on all parts of the problem. The US Federal Government spends far more than it is taking in as taxes, which automatically creates the other side where the US Federal Government must somehow come up with the money to pay for these expenditures. Every person who has a personal bank account knows that they cannot write checks for more than they have in their account or can borrow at the time and the same applies to the US Federal Government to a point and this is where the real taxpayer problem starts.

When it comes to the US Federal Government it is very important to understand a few things related to money. First, it actually never pays for anything. The US Federal Government simply takes from those who must work for a living and does so in such a manner as to not have those who will pay be concerned. Next, the US Federal Government has learned that most taxpayers do not understand the true cause of inflation and therefore let people like Barack Obama continue to get away with spending far more than the taxpayers have at that time. Right now Barack Obama knows that he is an overspending hero who will never be held responsible for tomorrow's inflation. Unfortunately, the American leaders, who are at the helm when the inflation spiral Barack Obama will have caused will be forced to use tools other than continued inflation created overspending whereby they can at least be perceived to help the poor taxpayers weather the inevitable long inflation recovery storm.

If this inevitable problem of inflation is to be dealt with properly or even prevented in the first place it is important to bring in the other party who has been a major part of the problem. When reacting to the inevitable inflationary spiral it supported the creation thereof most of the time the wonderful current US Federal Reserve will simply slow the money supply growth down via increased interest rates but never totally stop the unjustifiable growth. At least this is better than the monetary retraction approach they took in 1929 which resulted in the creation of the Great Depression. But these monetary changes do wreak havoc on most of the nation. The GDP side, along with the taxpayers of the nation has to adjust also. Businesses experience slowdowns as the inflation justified price increases put them out of their markets but again it is the poor individuals, who must work for a living, who will suffer the most and unfortunately many will be under such financial pressure that they will not survive

It is very important to learn that when it comes to the current US economy Barack Obama is on the same path as that taken by Lyndon Johnson 40 years ago to finance his love of another foreign military incident<sup>1</sup>. Today's Iraqi, Afghanistan and Libyan incidents, however, will most likely result in a far worse inflationary cycle than that of the Vietnam incident. The weapons used today along with the support troops cost far more than they

did back then, even when adjusted for inflation, as the US military no longer has a low payroll cost draft system. Adding these large military incident cost numbers to the other parts of the overspending budget is proof that Barack Obama has started an economic spiral that will hurt Americans far longer than the Lyndon Johnson overspending spiral did. The Johnson created inflationary economic system lasted almost 20 years but due to its size the Obama out of control spiral will last even longer. The first major indicator of the inflation spiral has begun. The global devaluation of the US currency due to the Fed's excess creation of these deficit financing funds is currently being seen when compared to the Euro dollar and even the Canadian dollar which is far more stable as the Canadian government is not running the same percentage deficits as the USA.

So what can the American taxpayer do? Aside from buying more Canadian dollars today that will only go up in value versus the US dollar, the first step in reducing the inflation creator is eliminating the deficit financing of US Federal Government programs. The US Federal Government must not be allowed to spend that which it does not have legally. Today's economy, not tomorrow's, should have to pay for its shortcomings. But how can the American taxpayers take the excessive spending privileges away from the majority of those in power, those who have never stopped abusing this 'emergency time only' right? It is obvious that there are not a dozen or so elected US officials who really care about fixing this problem. The majority, like the Commander and Chief, know that they can pass these future costs on down and thereby still be seen as the heroes who set up those wonderful programs in their districts. So it has to be the American taxpayers who must take control of this overspending problem into their own hands and begin to deal with the real world issues and not the Hollywood style ones that most of those in power always present and here is how: The following amendment to the US Constitution must be forced into law within the next year in order to stop this potential disaster from turning the world's number one economic nation into another fallen nation in less than one generation:

*Every President, VP, Senator and Congressman who has approved or voted for any part of the excess government spending agrees that the US Federal deficit must first be covered by the personal donations of all of their family's assets, including their homes, vehicles and stocks and other valuable assets. This is not limited to their family's domestic assets but to their world assets. This law is retroactive and applies to all of those who have been in any Federal Elected Office which had a deficit at that time.*

With this amendment there will definitely be some changes in Washington. The turnover of the personal wealth of all of these politicians will do little to fix the deficit they created. Economically there will be little benefit to the taxpayers but psychologically the payback will be substantial. Unfortunately the President Obama and House Speaker John Boehner sides will both have to return to finding real jobs and based on the limited production skills their groups have to offer most of them might only be able to apply for work at their local McDonalds, Wendy's, Burger Kings and Subways. And guess what? There they will actually have to work if they intend to continue to get a paycheck!

<sup>1</sup> Wars can only be called wars when the attacked side must respond and it is they who can call it a war. Today it is obvious that the Libyans are as likely to attack the USA, as were the North Vietnamese 40 years ago and that would have been 'Never'!

© 2011. All rights reserved