

By Drew Zahn

Rep. Mike Pence, R-Ind., took to the floor of the House today to push for a constitutional amendment that would cap how much money the U.S. government can spend.

"Federal spending is out of control, and the American people know it," Pence said. "Our nation is facing a fiscal crisis of epic proportions."

Pence has been joined by Congressmen Jeb Hensarling, R-Texas, and **John Campbell, R-Calif.**, in seeking passage of the Spending Limit Amendment, which, if passed and ratified, would cap the overall federal budget to one-fifth of American economic output.

In an editorial written earlier this week in the Wall Street Journal, Pence explained the significance of rising spending in relation to U.S. gross domestic product:

"In five years, federal spending has skyrocketed to 24.7 percent from 19.9 percent of our economy. That's the highest level since World War II," Pence wrote. "As the Baby Boom generation retires and the cost of health care continues to escalate, entitlement programs will cause federal spending to rise to 40 percent of our economy, double its post-World War II average."

He continued, "In order to pay for what we are on track to spend under current law, taxes would have to double. This would crush our economy."

"After years of trying to rein in federal spending under Republican and Democrat administrations, the American people want fiscal discipline and they want new ideas," Pence argued today. "For the last 60 years we've only taken 20 cents on the American dollar out of this economy. It's time we put that limit in the Constitution of the United States."

"If we fail to act," he concluded, "our children will be less free, less prosperous and less secure. It's time for a Spending Limit Amendment to the Constitution of the United States."

Under the specific language of the amendment, Congressional spending could exceed the cap

only under three conditions:

* Following a two-thirds vote of each house of Congress

* While a declaration of war is in effect

* In order to pay back principal on the national debt.

"With our nation facing a fiscal crisis, it is time to fundamentally change the way Washington spends the taxpayers' money," said Pence at a press conference announcing the amendment proposal. "Unless we change course, the public debt will consume the entire economy in less than 15 years. Runaway spending and record debt will make future generations of Americans less free, less prosperous and less secure.

"We have a moral obligation to put our nation's fiscal house in order," he concluded.

The proposed amendment has already drawn the endorsement of Americans for Tax Reform and the Center for Fiscal Accountability:

"While enforcing the Spending Limit Amendment will involve some tough choices," wrote the two organizations in a joint letter, "these are important choices to be made as our spending and debt crisis will not go away and most certainly cannot be solved by enacting damaging tax increases."

"When government grows, prosperity shrinks," wrote the editorial board of the Washington Times in a piece also supportive of the amendment. "By foisting mind-boggling amounts of debt onto generations yet unborn, this spending is so unsustainable as to be immoral."

The editorial also backed up its argument by breaking down how spending and gross domestic product correlate: "Spending was 21 percent of GDP in 1994, and it was held in succeeding years to percentages of 20.7, 20.3, 19.6, 19.2, 18.7 and 18.4. As spending discipline increased, GDP grew during that period at a steady and superb clip of an average 4 percent per year, and the national unemployment rate improved steadily from 6.1 percent to 4 percent."

Pence's column in the Journal concluded, "This amendment is an effort to allow 'We the People' the opportunity to fundamentally define the size of our government. Passing it would save future generations from lives of fewer opportunities and less freedom."

In order to be added to the U.S. Constitution through Congress, the amendment requires a two-thirds vote in both houses, followed by ratification, which requires approval of three-fourths of the states.