

**Quote of the Day:** "The reality is, this budget resolution - and the Republican Party's policies - have instigated a dangerous spiral of deficits and debt that constitute nothing less than fiscal child abuse, because they will immorally force our children and grandchildren to pay our bills." – May 19, 2006 House Majority Leader Steny Hoyer (D-MD)

## **Value for Money:**

I have noticed lately that politicians try to do the same thing. They (I know I should say we, but I really hate to call myself that) want to act like they are giving you all kinds of government services and benefits for a low price.....which means taxes. There's nothing wrong with the objective of providing more for less, but there are several backhanded ways that politicians go about doing it. Therein lies the difference:

1.□□□ They can provide you with lots of free stuff and charge (tax) someone else to pay for it. As long as you give the free stuff to the majority of people and have a minority of people pay for it, then in their mind it is a winning strategy. This is embodied in the age-old adage, "tax the rich" in order to give you something free. Or for a more recent example, taxing "evil smokers" to give someone else something for free. President Obama espouses this approach in his rhetoric, although in practice his spending plans are so huge that he will, and is, taxing everyone to pay for them. By the way, the first tax increase of the Obama administration went into effect on Tuesday with a huge increase in the federal tobacco tax. And that increase is not limited only to smokers who make over \$250,000 per year.

2.□□□ The most common approach is to provide you with services and not charge you directly for the cost of those services.□ Choosing instead to borrow the money so that a future generation must pay for the stuff you get. Both Republicans and Democrats have run up debts and deficits because they were unwilling to tax you as much as they wanted to demonstrate how much free stuff they could give you.

3.□□□ Another approach is to get some other politician or level of government to raise the tax so you can give the free stuff while someone else gets the blame for taxing you to pay for it. When local and state governments come to Washington in search of earmarks for their local pet projects, this is exactly what they are doing. They want to pay for local

projects out of taxes they don't control. That way, they appear to be giving you a lot for your local tax dollar. But in reality, you are paying for it out of another pocket. The allure of this is why it is so difficult to end the abusive and corrupting practice of earmarks.

Frankly, all of these approaches stink. Those of us in elected office should be up front about the cost of government and what taxes are necessary to pay for it. If we want to give you more value, then we should make the government program or service more efficient.

It is important to know that the Obama/Pelosi budget that just passed the House and Senate hides the ball in the most insidious of ways. This budget passed without a single Republican vote in either the House or the Senate and a number of moderate Democrats joined Republicans to vote 'no.' That demonstrates how extreme and how far left the Pelosi/Obama agenda is. The spending increases are so massive that it doubles the national debt in only 5 1/2 years and triples it in 10 years. The government can probably not even sell that much debt. We've already seen this scenario play out in the UK and Germany, where issuances of their national debt failed to attract enough buyers. If the President wanted to balance his budget, he would need to increase every federal tax on every American by at least 30%. That means an increase on your payroll taxes, gas taxes, income taxes, alternative minimum taxes, corporate tax, capital gains tax, cigarette tax, excise taxes, etc by 30% each. This is in addition to what he has already proposed.

This budget already contains a number of tax increases, including a "carbon tax" called "cap and trade," which will likely double everyone's electricity and heating bills. But Obama and Pelosi clearly do not want you to know what it will take to pay for all the government stuff they want to give you. By the way, the two Republican budget alternatives (which failed to pass of course) are not rocket science. They simply don't increase spending or taxes and, therefore, don't have as much debt or deficits. It is really quite simple.

You can confiscate all income over \$250,000, and it still won't be enough to pay for all the socialized government services that the President wants to do. So, he will have to tax the middle class in order to give services to.....the middle class. This is what is so absurd about his plans. It is universally acknowledged that it makes no sense to tax someone in order to have the government give them that same money back in the form of some government program. Government is too inefficient. This is why socialism fails because this widespread inefficiency makes the entire economy weaker and what results

is more unemployment, less opportunity, and a lower standard of living for everyone.

**I want to give you more for your money. We all do. But we should neither trick you, nor hide the ball through earmarks or pretend like someone else will pay for your free stuff. YOU will pay for YOUR free stuff one way or another. We should be honest about the taxes necessary and work to make government more efficient, not bigger.**

**Until next week, I remain respectfully,**

**Congressman John Campbell** Back when I was in the private sector and had an honest & productive job, we were always trying to offer the customer more value for their money. If we could keep the same product and lower the price, that provided more value to the customer. Or, if we could include more product or service for the same price, that also provided more value to the customer. People like getting value for their money.