

Congress focused on issues surrounding government spending this week as talk of deficits, the national debt, and the debt limit saturated the airwaves. This is a positive development. In years past, there was very little concern over how much was spent here in Washington, how it was spent, or how much of our gross domestic product was being consumed by government. That blissful ignorance naturally resulted in decades of government spending with impunity, bringing us to where we are today: trillions in debt with astronomical entitlement obligations that will be impossible to fulfill in the not too distant future. So it is a good thing that there is so much political pressure now on our leaders to actually put the brakes on runaway spending.

However, even the most generous estimate of the spending cut passed this week – \$38.5 billion – is a paltry 3.5% of the \$1.05 trillion in spending through the next 5 months. This hardly makes a dent in our government's mountain of debt. Even worse than that, the non-partisan Congressional Budget Office (CBO) stripped away the accounting sleights of hand and scored it as only \$352 million in cuts, which works out to less than half of one percent of spending. Still, the tiniest cut is better than the massive increases we have become accustomed to in federal budgets.

Of course, our disastrous wars in Afghanistan and Iraq are not even included in this budget as they are considered emergency spending. They constitute \$3.3 billion in spending in the same period of time, so they more than cancel out any small cuts the warmongers may crow about.

I voted against the legislation funding government for the remainder of this year, as well as next year's budget because, as in years past, government spends far too much on unconstitutional programs. In spite of any rhetoric about fiscal responsibility, a point three percent (0.3%) cut does not suddenly make the rest of the spending constitutional or responsible. And, if the American people do not continue to hold the politicians' feet to the fire, you can be sure we will see massive spending increases again in the future.

In addition to Congress' spending, many Americans are finally paying attention to the spending done by unelected banking cronies at the Federal Reserve. Recently the Fed was forced to reveal some details of loans given out during the financial crisis of 2008 and they are truly shocking. Matt Taibbi points out in a recent Rolling Stone article that two very well-connected Wall Street wives got together and formed a real estate investment company that garnered \$220 million in so-called "loans" (free money) from the Fed. Compare this number to the \$352 million in spending cuts the CBO says are in the current budget! A few months later, one of the wives bought a \$13.5 million personal residence with her husband, the CEO of Morgan

Stanley.

The unelected, unaccountable Fed hands out as much or more money this way as our federal government spends, and yet receives hardly any attention. This is why I believe transparency of the Fed is a critical step to regaining control of our financial situation in this country. We can never get meaningful reforms if all eyes are on the \$352 million so-called cuts, and transactions like the \$220 million given to Wall Street cronies are done in the shadows. This is why I have reintroduced my Audit the Fed bill to this Congress. HR 1207 is now HR 459 and is essential to true fiscal reform and responsibility.