## PRESCRIPTION FOR A RESPONSIBLE AND EFFICIENT GOVERNMENT

REALIGNING FEDERAL SPENDING TO MEET AMERICA'S PRIORITIES

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HEAL + INSPIRE + REVIVE

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The answer is a resounding, "No."

#### Dr. Ben Carson

### PRESCRIPTION FOR A RESPONSIBLE AND EFFICIENT GOVERNMENT REALIGNING FEDERAL SPENDING TO MEET AMERICA'S PRIORITIES

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## HEAL + INSPIRE + REVIVE

Stewards of federal funds should be careful spenders, and should be focused on providing to the citizenry goods, services and assistance that cannot be provided by the

private sector or local and state governments. Every day, however, our federal government usurps its role and opts for wasteful spending and an appalling lack of accountability.

Over the years, a hodgepodge of federal programs has proliferated, but little attention has been paid to whether these programs meet their intended goals or are managed in cost-effective ways. Since 1930, the growth in federal outlays

has outpaced growth in the economy by a full 2 percent, and has raised the federal government's share of the gross domestic product from less than 4 percent to 21 percent. We must ask ourselves: has federal spending created more value than what individuals and families could have achieved if they had the same funds at their disposal? The

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answer is a resounding, "No." While the American people are perfectly capable of making decisions for themselves, for decades the federal government has robbed them of their choices – and their dignity – by dictating their behavior and engaging in reckless spending on their behalf.

Just as troubling, under current budgetary projections, government expenditures will continue to exceed

government revenues in the coming decades, resulting in annual budget deficits year after year. Each year's deficit must be financed with additional debt, adding to the total outstanding national debt. Interest payments on that debt in turn impose an even higher burden on the budget, and the vicious cycle continues.

Not surprisingly, our national debt has ballooned at a rapid pace and now exceeds \$19 trillion. This is a burden that all Americans must bear. In fact, a child born today is immediately saddled with \$58,000 of our national debt<sup>1</sup>

The fiscal irresponsibility of our federal government must stop. We cannot go on mortgaging our future to wasteful spending and pretend that nothing is wrong. The federal government has been living beyond its means, and it is time to tighten the belt – and make wholesale reforms.

As president, I will drastically cut federal spending and

return to the American people the power and resources to make decisions about their lives. Even more important, I will institute fiscal discipline in Washington in order to restore a bright future for our children and grandchildren.

- My plan to cut government spending will do the following:
- Streamline our government;
- Scale back or eliminate wasteful and inefficient programs;
- Reform means-tested welfare initiatives;
- Reform health care and entitlement programs;
- Divest federal assets; and
- Achieve a balanced budget and pursue a constitutional amendment for long-term fiscal stability.

#### Streamline Our Government

As a first step toward streamlining the federal government, I will focus on cutting waste that has already been identified by the General Accountability Office (GAO) and the inspectors general of 73 federal government agencies and departments. Just a few examples of egregious excess, duplication and inefficiencies named by the GAO are: the federal government's chronic mismanagement of software licenses, Medicare's failure to fully utilize its audit resources to prevent duplicative post-payment claims reviews and the Environmental Protection Agency's and the Food and Drug Administration's overlapping inspection of the same laboratories.<sup>2</sup> By implementing the recommendations of the GAO and the inspectors general, we could expunge up to \$650 billion annually in waste from the federal budget.<sup>3</sup> Unfortunately, to date, these recommendations have played only a small role in the appropriations process and have not been translated into meaningful budget savings. A Carson administration will begin the process of tackling such budget cuts from Day One.

I will present Congress with my entire set of recommended cuts in a comprehensive package, which should be voted up or down at once, rather than in a piecemeal fashion. This approach would help protect against efforts by special political interests to derail the warranted cuts. Once Congress adopts my legislative proposals, the baseline budget for the relevant agencies

and departments will be lowered by the amount of the approved reductions.

To ensure that the spending cuts are consistent with the very best practices in place for managing resources, I will constitute a modern commission along the lines of President Ronald Reagan's Grace Commission.

The Commission was established to identify waste, fraud and abuse in the federal budget, and following successful business management practices, it identified cuts amounting to 18 percent of outlays – more than \$250 billion annually in terms of the budget today.

In my administration, a similar commission will undertake a rigorous and thorough examination of all of our federal programs, with the goal of providing an acrossthe-board set of recommendations for further cuts and program reforms.

# Scale Back or Eliminate Wasteful and Inefficient Programs

Beyond completely overhauling the operating budgets of departments and agencies, we must also scale back or eliminate numerous federal programs that are wasteful, inefficient or unnecessary. A number of blueprints already exist for implementing these reforms.

In particular, the U.S. House of Representatives' Committee on the Budget has approved a plan – titled "A Balanced Budget for a Stronger America" – that identifies \$5.5 trillion of spending cuts that can be made over the next decade. Savings would come from repealing Obamacare, eliminating corporate welfare, reducing government interference in the energy industry, privatizing housing giants Fannie Mae and Freddie Mac and other measures.

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There are many more reputable studies that have unearthed significant savings from eliminating programs that cannot be justified on their merits. As president, I will explore all viable options for ending or curtailing federal programs that do not serve the taxpayers well.

#### **Consolidate Means-Tested Initiatives**

A central part of my reform agenda will be improving federal means-tested programs that provide income support to individuals and families with limited resources. I will focus on consolidating the approximately 80 such existing programs to achieve efficiency gains in the process. These programs currently cost more than \$900 billion a year, and many are duplicative and contain perverse incentives that do not reward work or initiative.<sup>4</sup>

As president, I will extract significant savings from this jumbled mess of federal means-tested programs, and will direct them to where they are truly needed and can provide the incentives and wherewithal for recipients to escape poverty and share in the American Dream.

#### **Reform Health Care and Entitlement Programs**

We cannot cut spending in a meaningful fashion without reforming our entitlement programs, such as Social Security, Medicare and Medicaid. After all, much of the future growth of our federal outlays is directly related to entitlements, which currently make up nearly 50 percent of our total federal budget. As growing numbers of our population become senior citizens, the demands on these programs will only increase.

With respect to Social Security, I have called for continued efforts to slowly and gradually increase the eligibility age for beneficiaries in order to more closely reflect the longevity of America's senior citizens.

I also believe that we should consider updating how Social Security calculates its annual inflation adjustments. Two years ago, President Barack Obama proposed replacing the current, out-of-date methodology with a new, more accurate calculation in his own budget plan. If implemented, these types of reforms could provide longterm financial solvency to the Social Security program without severely impacting current beneficiaries.

With respect to Medicare and Medicaid, I have already released a health care reform plan that will provide significant budgetary savings and reform both programs while ensuring that individuals and families have affordable access to quality health care. Under the plan, we will leverage Health Empowerment Accounts, an expanded form of health savings accounts, to ensure that everyone has the ability to purchase quality health care of their choosing. These accounts will be permanent and portable, so that families will always have the ability to access health insurance. Those currently covered by the Department of Veterans Affairs, Medicare and Medicaid will have more choice and access to quality health care, and all will be assured of catastrophic coverage.

Additionally, my health care plan will modernize Medicare to keep pace with the extended lifespan of the typical American. The age of eligibility for Medicare beneficiaries will be increased over the next three decades by two months each year until it eventually reaches age 70, at which time the eligibility age would be indexed to keep pace with life expectancy.

These and other proposals in my health care plan will lower federal outlays by at least \$1 trillion over the next decade.

#### **Divest Federal Assets**

Streamlining and eliminating government programs should also be combined with selling federal assets to generate revenue. Currently, the federal government owns enormous assets that can be better managed by the private sector and should be sold. They range from onshore and offshore energy reserves to 640 million acres of land; from federal enterprises, such as Amtrak, to many of the 300,000 buildings owned by the government.

We can count on such asset sales to raise at least \$2 trillion to \$4 trillion over a decade. Upon further costbenefit analysis, there will no doubt be many more items that can be sold to pay down our national debt.

#### Achieve a Balanced Budget and Pursue a Constitutional Amendment for Long-Term Fiscal Stability

As president, I will produce enough budget savings – in conjunction with the revenue increases my pro-growth tax reform plan will generate – to achieve a balanced budget over the next decade.

During the transition to a balanced budget, outlays may outpace tax revenues. Instead of financing these shortfalls by piling on more debt, my administration will make up for the revenue shortfall with the aggressive program of asset sales described above.

The path to long-term fiscal responsibility, however, must be paved with a constitutional amendment requiring that the federal budget be balanced each year. While a balanced budget is the goal and outcome of my spending plan, a balanced budget amendment is a means to better stewardship of our economy and greater prosperity and opportunity for all.

Career politicians in Washington, D.C. have demonstrated that they will not get serious about

balancing the budget and paying down the debt without a constitutional mandate. Under a Carson administration, we will pursue a balanced budget amendment to place greater discipline on the legislative process and ensure that federal spending initiatives are fully justified on their merits

#### A Leaner, More Responsible Government

For far too long, the federal government has been fattening itself at the expense of the American people. Out-of-control spending, wasteful initiatives, crushing liabilities from entitlement programs and unnecessary federal assets all make a mockery of this country's fiscal responsibility and erode our long-term financial solvency.

As president, I will put a stop to the irresponsible waste of the people's money. My plan to cut government spending will produce drastic reforms, resulting in at least \$500 billion to \$600 billion of non-redundant savings per year, or \$5 trillion to \$6 trillion over a decade.

Ultimately, my spending cuts will be a part of a complete plan aimed at spurring economic growth and forthrightly addressing the vital functions of the federal government. Any new spending initiatives under my administration will be carefully scrutinized to determine whether they are better provided by the government, individuals or the private sector. In the course of the reforms that I am proposing, we will ensure that the needs of this nation



are met in a way that provides "We the People" with more freedom, more opportunities and more dignity to pursue the American Dream.

Additionally, the move to a balanced budget constitutional amendment will assure younger Americans that they are not going to be stuck with the tab for the current and past generations' foolish spending. The end result will not only be a leaner, more responsive national government – but also a revitalized economy that will once again be the envy of the world.

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<sup>1</sup> http://dailysignal.com/2016/02/02/the-us-debt-just-exceeded-19-trillion-heres-how-we-got-here/

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