

The House of Representatives arrived at an historic agreement last week to cut \$2.3 trillion in spending from the federal bureaucracy. It's historic for reasons positive and for reasons not as great.

First, the good news: The legislation marks the very first time the authority of the Treasury to borrow money has been accompanied by budget cuts. This agreement cuts spending by an amount greater than it increases borrowing. Social Security and Medicare benefits are preserved intact for the Americans enrolled in the programs today and near retirement age. No tax increases of any kind are in the legislation.

The worthy idea of cutting our deficits is not new, but it is the first time the thought has been truly put into practice. In that regard, the tone in Washington is changing from how fast the administration can spend taxpayer money to a requirement that we slow the rate of deficit spending that threatens to bury our children and grandchildren beneath a mountain of debt. Our freedom stems from our sovereignty, and our sovereignty depends on responsible levels of spending and debt.

The framework put in place last week will drive down debt in the long term, requiring less borrowing. It will put future Americans in a position to create opportunities through innovation, ingenuity and hard work. It will offer less of our sovereign debt up for auction where it can be purchased by foreign powers. All those things are good.

Here is the bad news: The framework is the easy part. Now a select committee of legislators must get down to the details of the federal budget – more than \$3 trillion next year alone, and start to find cuts that will get us to the \$2.3 trillion goal over ten years. When a plan is complete to achieve these savings, the House and the Senate will vote again.

The bipartisan panel of six Senators and Six Representatives will give Congress a chance to vote upon \$1.4 trillion in cuts. It will be no easy task to arrive at a package which can both pass a Democratic Senate and a Republican House, but the consequences of not doing so will be really tough. Just as difficult will be the task of standing firm against special interests bent on preserving their favorite programs from reductions. We need major changes made quickly, and well-heeled lobbies in the capital will be working overtime to try to avoid sharing the pain.

What all Americans should keep in mind is that cutting government sounds good in principle, but it can be difficult in practice. The committee may propose cuts to programs which are popular or widely used. Everything will be on the table.

At the same time the bipartisan committee is meeting, appropriations work will continue in the Congress. As a member of that committee, I can tell you there will be more cuts to federal agencies enacted through that process. I've already crafted a bill in the subcommittee on Financial Services and General Government which would cut ten percent from the 2010 level and another nine percent over the 2011 level.

Two things are true at the end of the day: one is that cuts can be made and the other is that, given our country's current financial condition, cuts must be made.