

Ron Paul's FREEDOM REPORT

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Ron Paul's TEXAS STRAIGHT TALK

October 30, 2006

The NAFTA Superhighway

By now many Texans have heard about the proposed "NAFTA Superhighway," which is also referred to as the trans-Texas corridor. What you may not know is the extent to which plans for such a superhighway are moving forward without congressional oversight or media attention.

This superhighway would connect Mexico, the United States, and Canada, cutting a wide swath through the middle of Texas and up through Kansas City. Offshoots would connect the main artery to the West Coast, Florida, and the northeast. Proponents envision a ten-lane colossus the width of several football fields, with freight and rail lines, fiber-optic cable lines, and oil and natural gas pipelines running alongside.

This will require coordinated federal and state eminent domain actions on an unprecedented scale, as literally millions of people and businesses could be displaced. The loss of whole communities is almost certain, as planners cannot wind the highway around every quaint town, historic building, or senior-citizen apartment for thousands of miles.

Governor Perry is a supporter of the superhighway project, and Congress has provided small amounts of money to study the proposal. Since this money was just one item in an enormous transportation appropriations bill, however, most members of Congress were not aware of it.

The proposed highway is part of a broader plan advanced by a quasi-government organization called the "Security and Prosperity Partnership of North America," or SPP.

The SPP was first launched in 2005 by the heads of state of Canada, Mexico, and the United States at a summit in Waco.

The SPP was not created by a treaty between the nations involved, nor was Congress involved in any way. Instead,

the SPP is an unholy alliance of foreign consortiums and officials from several governments. One principal player is a Spanish construction company, which plans to build the highway and operate it as a toll road. But don't be fooled: the superhighway proposal is not the result of free-market demand, but rather an extension of government-managed trade schemes like NAFTA that benefit politically-connected interests.

The real issue is national sovereignty. Once again, decisions that affect millions of Americans are not being made by those Americans themselves, or even by their elected representatives in Congress. Instead, a handful of elites use their government connections to bypass national legislatures and ignore our Constitution—which expressly grants Congress the sole authority to regulate international trade.

The ultimate goal is not simply a superhighway, but an integrated North American Union—complete with a currency, a cross-national bureaucracy, and virtually borderless travel within the Union. Like the European Union, a North American Union would represent another step toward the abolition of national sovereignty altogether.

A new resolution, introduced by Representative Virgil Goode of Virginia, expresses the sense of Congress that the United States should not engage in the construction of a NAFTA superhighway, or enter into any agreement that advances the concept of a North American Union. I wholeheartedly support this legislation, and predict that the superhighway will become a sleeper issue in the 2008 election.

Any movement toward a North American Union diminishes the ability of average Americans to influence the laws under which they must live. The SPP agreement, including the plan for a major transnational superhighway through Texas, is moving forward without congressional oversight—and that is an outrage. The administration needs a strong message from Congress that the American people will not tolerate backroom deals that threaten our sovereignty.

Ron Paul's
TEXAS STRAIGHT TALK

October 9, 2006

Deficit Spending and Social Security

During a speech in Washington last week, Federal Reserve Chairman Ben Bernanke warned that the coming retirement of the Baby Boomer generation will place tremendous strains on the nation's budget and economy. He stresses that Social Security and Medicare must be reformed sooner rather than later, because demographic trends make the current system unsustainable over time. In future decades there will be too many retirees and not enough younger taxpayers.

Still, the problem seems vague and faraway for most. Today's seniors hope the system will hold together for the remainder of their lives, while younger working people hope government will somehow fix things before they retire. Not surprisingly, Congress doesn't want to face the problem until it becomes an acute crisis. It's hard to sell voters on austerity today to avoid a relatively distant problem. Politicians usually operate on the opposite principle, by promising great things now and leaving the bills for others to pay later.

The only honest solution to the future insolvency of Social Security is for Congress to stop spending so much money. When Congress outspends federal revenues, it raids Social Security funds to cover the difference. Unless Congress makes real cuts in spending—and stops spending Social Security taxes on completely unrelated programs—millions of Americans simply will not receive even a fraction of the money they paid into Social Security. Ignore the rhetoric about tax increases and cuts in benefits, as though you are to blame for the problem! All Social Security obligations could be met if Congress did not spend so much on other things.

Congress can begin addressing the problem immediately by cutting at least 5% from other areas of the federal budget every year for the next five years. The budget has nearly tripled just since 1990; surely Congress can find 5% worth of fat to cut each year. When members of Congress vote for bigger and bigger appropriations bills each year, they threaten the very solvency of Social Security. That's why I vote against every wasteful appropriations bill.

Social Security contributions are supposed to be set aside from general revenues and placed in a trust fund. The truth,

of course, is that your contributions are not put aside. Over the decades Congress found itself simply unable to sit on a big pile of money, so it began treating Social Security contributions as general revenues to fund the ever-growing federal government. Today your Social Security account is nothing more than a ledger filled with IOUs.

I introduced legislation to end this terrible practice. Under my bill, HR 219, your Social Security contributions are set aside in an interest-bearing account and cannot be spent. In other words, your Social Security account would be treated as YOUR account and not a slush fund for Congress. This is the simplest approach to Social Security reform, and it has the added benefit of making it harder for Congress and the administration to mask the deficit spending that is the real cause of our problems.

Ron Paul's
TEXAS STRAIGHT TALK

October 23, 2006

Do Tax Cuts Cost the Government Money?

Whenever tax cuts are discussed in Washington, the media and most politicians use the phrase, "cost to government." "How much will this tax cut cost the government?" we are asked, as though some crime is being contemplated when we consider reducing taxes. The American people have every right to fund the federal government at whatever level they deem acceptable, and if they

choose—through their elected representatives—to reduce that funding level, they are not somehow injuring the government. If Congress passes a new law that results in your paying \$1000 less in taxes next year, have you taken something from the government that rightfully belongs to it? Or has the government simply taken less from you?

You don't cost the government money, the government costs you money!

Of course it's reasonable to demand that politicians cut spending when they cut taxes. That's the definition of real fiscal conservatism: government should not take too much from the private economy in taxes, but neither should it spend too much and run up deficits. That's why I vote against the wasteful appropriations bills that relentlessly increase federal spending year after year.

I reject the notion that tax cuts harm the economy. The economy suffers when government takes money from your paycheck that you otherwise would spend, save, or invest.

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