**Government Surplus**

**I’m old enough to recall 1992, when George H. W. Bush and Bill Clinton competed for the White House by vowing to reel in the national debt; Clinton and a Republican Congress subsequently delivered a budget surplus. *(The Week magazine, July 18, 2025)***

**How debt went out of control: How did the U.S. run up so much debt? The crucial turning point came back in 2001, said Lori Montgomery. At the time, Uncle Sam was actually running surpluses, and “the outlook was so rosy” that forecasters were predicting the U.S. could pay back every dime it had ever borrowed. That’s when President George W. Bush made a pivotal decision: Rather than use surpluses to pay down the national debt or fix Social Security, Bush elected to push through two massive tax cuts, on the grounds that “the surplus is the people’s money.” Bush and Congress then financed two wars at the cost of $1.3 trillion, spent $272 billion on a Medicare prescription benefit, and expanded other defense and domestic spending. When the economy cratered in 2008, it cut deeply into revenues already diminished by Bush’s tax cuts. All told, Congressional Budget Office statistics show, Bush’s policies account for more than $7 trillion of the debt the U.S. has accumulated over the past decade. President Obama’s policies, including his $719 billion stimulus program, have added $1.7 trillion to that debt. Today, future budget forecasts “are unrelievedly gloomy, showing huge deficits essentially forever.” And it all began with a choice, 10 years ago, to cut taxes to their lowest level in 60 years, with no cuts in spending. *(The Week magazine, August 19-26, 2011)***

**Congress faced an unusual problem during the administration of Andrew Jackson in 1836. The government had accumulated a surplus of $37 million, and Congress debated what to do with it. On June 23 of that year, Congress voted to refund the money to the states in proportion to their representation in Congress. The next year the panic of 1837 hit the country and revenues decreased. Never again would the federal government have money left over after paying all obligations. The federal deficit started, and it has never been eliminated*. (Charles Reichblum, in Knowledge in a Nutshell, p. 124)***

**In fiscal 1974-75, the government took in $281 billion in various taxes. During that period, the government spent $325 billion. We went in the hole $44 billion. In 1960 we had a billion left over. It was the last time that happened. At the end of 1974, the national debt was $533 billion, or a deficit of $2,400 for every man, woman, and child in the country. *(Bernie Smith, in The Joy of Trivia, p. 162)***

**In 1900, the U.S. Treasury showed a surplus of nearly $47 million in income over expenditures. (The last time the Federal Budget was balanced was in 1969.) *(Isaac Asimov's Book of Facts, p. 58)***

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