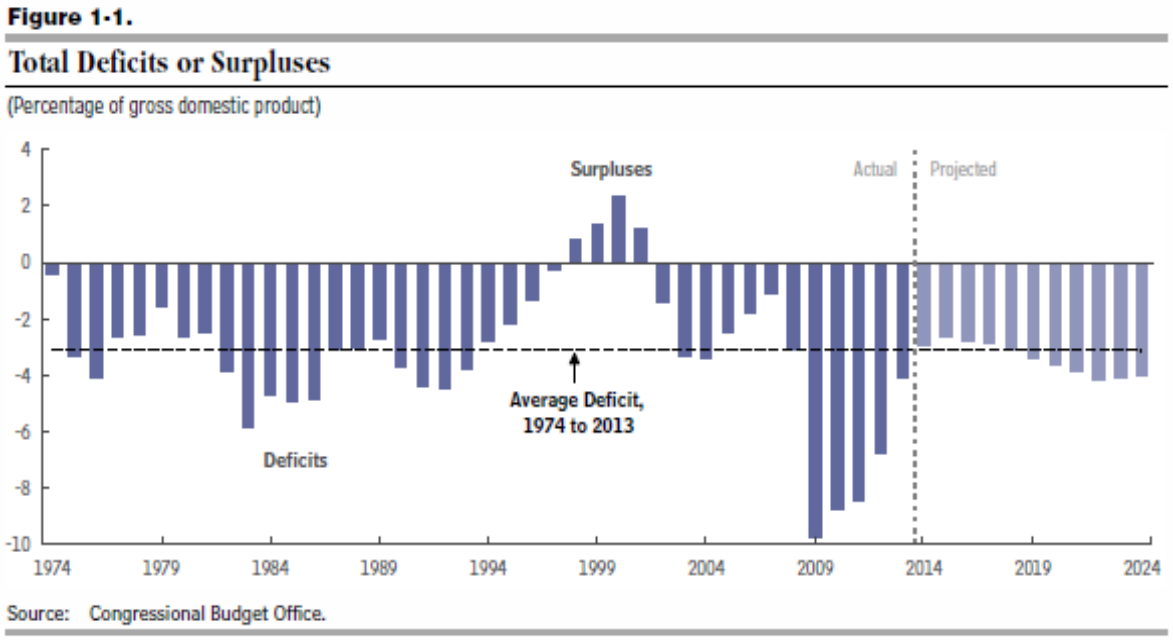
Of course, focusing only on who pays what sorts of Federal tax over time provides an incomplete fiscal picture. If tax collections are less than spending, the government must borrow (by selling Treasury securities) to make up the shortfall. While such borrowing is expected (and even beneficial) during times of recession, significant deficit spending during periods of economic expansion suggests that tax collections relative to spending are out of equilibrium. The first figure below shows annual deficits (or surpluses) for every year since 1974, with projections through 2014.[19]



What to do? An editor at the Wall Street Journal[20] explains that eliminating deficit spending solely by reducing discretionary spending (with no decrease in mandatory spending or increase in tax collections) would be difficult, noting:

- nearly two-thirds of federal spending is done automatically under mandatory programs (most notably, Social Security and Medicare) without annual votes by Congress;
- one out of every $5 dollars is spent on defense, with the U.S. defense budget larger than the next 17 largest defense budgets combined;
- one out of every $4 dollars is spent on health care (primarily Medicare, Medicaid, and the children's health insurance program);
- firing every Federal government employee would not even halve the deficit; and
- the share of family income paid in Federal tax has been falling for 30 years.

[19] THE CONGRESSIONAL BUDGET OFFICE, *The Budget and Economic Outlook: 2014 to 2024*, at http://www.cbo.gov/publication/45010 [hereinafter CBO 2014 REPORT] at 8.
[20] *See* David Wessel, *Everything You Ever Wanted to Know About the Budget But Were Afraid to Ask*, at http://online.wsj.com/news/articles/SB10000872396390444330904577538910083734248.