

Date November 11, 2011

QUESTION: "Seems like the Greeks and Italians are getting their acts on the correct course. At this point I think I'm more concerned about our politicians . . . especially the ability of the super committee to pull off a deal. What do you think??"

Jim

ANSWER:

Jim,

It is frustrating to have to know that there will be no grand agreement from the joint committee. This is particularly so because it is all for the sake of politics and the 2012 campaign. For a supporter of the President, I am even more disappointed than most. It is time for him to provide leadership that will make the difference and provide the spending reductions that will turn the government cost curve downward. I frankly don't care much what the opposition point of view says! It is time for leadership, and I am afraid that the President is not going to step up with the courage that is needed. That makes me unhappy.

Frankly, for what it is worth, my sense is that the US economy will grow even without the necessary leadership on the global political front. This is more of a time function than a regulatory problem - though certainly there are many Washington, DC limitations that are impacting the growth of small business. My concern is for the long term - (1) we must reduce government expenditures as a percentage of the US GDP; (2) our debt cannot be allowed to continue to grow, and it must be reduced.

Dick