



# The Investment Coach™ Weekly Commentary

June 19, 2009

## Let Them Eat Cake

By Lewis J. Walker, CFP®, CIMC®, CRC®

May 15, 2009, was a big day in the life of my grandson. On that balmy spring morning young Brandon graduated with the Class of 2009 from the Saint Brigid Day School in Johns Creek. The energetic and laughing children sported white felt mortarboards and yellow tassels.



The little boy who is emerging as a young man will head off to kindergarten, as will the others. The adorable children who were enthusiastically singing for their proud parents and grandparents have little understanding of the journey ahead. Brandon will graduate from high school in 2022 and from college in 2026. A bright child, he may pursue higher education.

Upon completing his education, he may proudly serve his country or start his career. Along the way he may find the love of his life and marry. In the decade from 2030 to 2040, my daugh-

ter's son may become a husband, father, and a breadwinner.

What sort of world will we bequeath our children's children? Each child is about to be handed a \$46,000 debt in today's dollars. Who knows how large the tax burden on tomorrow's taxpayers will be?

Federal bean counters say that the Social Security Trust Fund will be depleted by 2037. But the \$2.4 trillion surplus that has been paid in has been borrowed, spent, and exists only as paper IOUs to be redeemed with incoming tax revenues. Benefits are esti-



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mated to exceed the tax take in 2016 when our wee graduates are but 13 years old.

Medicare and Medicaid are in worse shape as the funds pay out more now than they take in. As the children of Saint Brigid played blissfully on the playground after celebrating with cake and juice boxes, our political leaders were plotting the passage of even more entitlements.

We want for our children what we wanted—the privilege of growing up in a free country where self-reliance, responsibility, and a successful contribution to God, family, and society is cheered, not jeered and penalized.

Brandon will want to earn a good living and provide for his family. His parents are raising him to be a gentleman, looking out for his little sister. They take the children to church as they seek to discern God's plan, as ex-

amples are set. They will nurture their son into adulthood, raising him to be his own man, guided by a spiritual North Star, and resisting the siren song of moral relativism.

Two days prior to the graduation, I was in Washington, DC, on Capitol Hill visiting Congressional delegations relative to a legislative matter of importance to independent financial advisors. The Capitol complex is a beehive of activity as government grows in reach and power.

Having watched the legislative sausage factory in action, as innocent children made their dedicated teachers and families proud, a nagging question that came to mind took on critical importance. We are about to saddle the next generations with a financial albatross and a country far different from the one we grew up in.

*What in heaven's name are we doing?*



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