

A number of factors have brought us to this cash-strapped point, including reckless tax cuts, the cost of two wars, entitlement programs that have grown on autopilot, and the necessary, though costly, efforts to get our economy out of recession. But by far the worst decision was the abandonment in the Bush years of the principle that our country should pay for what it buys. It's time to learn from that error and establish that principle in law.

President Obama has made the pay-as-you-go rule -- a.k.a. "PAYGO" -- a central part of his campaign for fiscal responsibility. Under PAYGO, Congress is compelled to find savings for the dollars it spends. In the 1990s, PAYGO proved to be one of our most valuable tools for climbing out of a budgetary hole. As President Obama put it earlier this month, "It is no coincidence that this rule was in place when we moved . . . to record surpluses in the 1990s -- and that when this rule was abandoned, we returned to record deficits that doubled the national debt."

President George W. Bush and the Republican Congress set PAYGO aside, turning borrowed money into massive tax cuts for the most privileged. Borrowing made those tax cuts politically pain-free as long as Mr. Bush was in office, but it only passed the bill on to the next generation -- along with ever-inflating interest payments.

Congressional Democrats, on the other hand, understand that we owe it to our fiscal future to pay our bills up-front. As soon as our party took back Congress in 2007, we made the principle of paying for what we buy part of the House rules. To be sure, Congress hasn't always lived up to that commitment, usually when the Senate rejected House bills that were paid for. But that is all the more reason to give PAYGO the force of law. On Mr. Obama's behalf, I have introduced legislation with 150 original cosponsors to keep Congress, whether controlled by Democrats or Republicans, from sacrificing our fiscal health to the political pressures of the moment.

Some in our party have expressed concerns that PAYGO will limit our ability to fund pressing priorities, from education to clean energy. But I believe that such important investments are long-term propositions -- a little discipline now will ensure that we have the resources to fund them consistently for years to come.

Other critics complain that PAYGO would pit tax cuts against cuts in spending. But that is exactly what responsible budgeting requires -- a willingness to make hard choices between competing priorities. PAYGO can also push us to eliminate wasteful spending and subsidies.

The President's PAYGO proposal, which I have introduced, would require that all new policies reducing revenues or expanding entitlement spending be offset. Legislation extending current policy on the Alternative Minimum Tax, Medicare payments to doctors, and the estate-tax cuts and tax cuts passed in 2001 and 2003 can be enacted without offsets. This approach will allow us to enforce fiscal discipline for the years ahead without being hobbled by past Republican budget gimmicks.

Fiscal responsibility will take much more work, from controlling the spiraling health-care costs that consume more and more of our GDP and budget each year to reforming our rapidly-growing entitlement programs. It is daunting work, but it can begin here. And if we fail to take even this step -- to hold to a rule of responsibility that governs even the smallest family budgets -- then we are in deeper trouble than even the worst pessimists feared.