



Hendrickson: Iowans are increasingly concerned about our economy

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Iowans are increasingly concerned about the economy, with high inflation and national economic uncertainty contributing to their anxiety. A recent poll conducted by the Iowans for Tax Relief Foundation (ITR Foundation) found that 74.4 percent of Iowans believe the nation is heading in the wrong direction, and 65.4 percent disapprove of the performance of President Joe Biden. At the level of policy, Iowans are most worried about inflation and the cost of living, as well as taxes and government spending.

Asked about their current personal financial situations, 52.7 percent of Iowans are pessimistic, with 85.6 percent saying inflation has impacted their personal finances. High inflation — producing increased costs for food, gasoline, and energy, among other necessities — is a direct response to President Biden’s reckless fiscal and energy policies.

The Consumer Price Index (CPI) demonstrates that inflation remains a serious problem, having risen 14.9 percent since President Biden assumed office. Economically, inflation can be considered to be a tax, and it is arguably the cruelest, because it destroys savings and reduces income. As a result of high inflation, real wages have declined 3.7 percent under President Biden.

Iowans are also concerned about government spending, which is a direct cause of high inflation. The national debt is currently around \$31.5 trillion, and deficits continue to rise. The Cato Institute’s Romina Boccia estimates the national debt costs each individual \$94,000, or \$240,000 per household. President Biden’s proposals of a \$6.8 trillion budget and \$4.7 trillion in tax increases will only exacerbate the economic harm. Iowans’ concerns about taxes and spending aren’t limited to the federal level. A majority supports taxpayer protections that would make it more difficult for the state legislature to increase income taxes. Of those surveyed, 61.3 percent support a constitutional amendment requiring a two-thirds vote in both chambers of the legislature to raise income tax rates.

Property taxes are also a concern for Iowans. The poll found an overwhelming 67 percent of Iowans supporting limits on how much local governments can tax and spend as a control on the growth of property taxes. A local-government spending limitation receives bipartisan support, with 70 percent of independents, 46 percent of Democrats, and 79 percent of Republicans in favor.

ITR Foundation's poll demonstrates not only that Iowans are concerned about their own financial prospects, but also that they are clear-eyed about the role of inflation and government tax-and-spend policies. Policymakers should pay attention to these results not only to gain Iowans' support, but also to ensure the wellbeing of the state.