

Sioux City Journal

OUR OPINION: After virus crisis ends, Washington needs to work on debt

Michael Gors

August 16, 2020

As we write this, the question of whether Congress will pass and send to President Trump another coronavirus-related stimulus bill remains unanswered.

To date, Congress and the president have agreed to three virus stimulus packages with a total pricetag of more than \$2 trillion. We did not quarrel with them. These extraordinary times have demanded nothing less than extraordinary measures to protect not only the health of Americans, but threatened foundational pillars of our nation's economy. We do not argue the need exists for more stimulus legislation as our country continues to grapple with this unprecedented emergency.

Still, the day will come, probably next year, when a vaccine will end the virus crisis and life in America will, at last, return to normal. That's when our leaders need to get serious about deficit spending and debt.

If a fourth COVID-19 stimulus bill is signed into law with a pricetag of, say, \$2 trillion, our country's national debt will reach almost \$30 trillion (the debt was \$25 trillion on May 1). According to a projection in April by Chris Edwards, director of tax policy studies at the Cato Institute, federal debt - with virus stimulus spending and reduced federal revenue as a result of COVID-19's impact on the economy included - will reach \$37 trillion, or 116 percent of gross domestic product, by 2030.

Those numbers should frighten all of us.

Whoever occupies the White House and controls the House and Senate next year must agree to the need for and commit to change in the approach to crafting federal budgets - an initial step we acknowledge will be anything but easy.

Then, perhaps, formation of a bipartisan blue-ribbon commission of accomplished American leaders, both public and private, should be formed to undertake what will be a herculean task and draft recommendations for the president, Congress and the American people. Recommendations should address spending, taxes and entitlements.

Curing themselves of their dependency on deficit spending and running up debt won't be easy or pain-free. But for the sake of our nation's future, decision makers in Washington, D.C., must take the necessary medicine - sooner rather than later. After we put the virus in our rearview mirror seems like a good time for them to begin.