



Running Up The Tab: National Debt Continues to Skyrocket

By Corey Olson

Feb 1, 2022

America's credit card is getting out of control, and the only question is when will the bill come due? The U.S. federal debt **grew by more than \$2 trillion** in the past year alone, to nearly \$30 trillion total. For perspective, it took 210 years of our country's existence to surpass our first \$2 trillion in debt...now, we're seemingly blowing by that in a matter of months. At the same time we owe all of this money, we've grown more reliant on foreign countries, as the U.S. trade deficit rose last year to a **record \$1.08 trillion**.

The last two years have seen a dramatic rise in government spending due to the COVID-19 pandemic, and all of the stimulus and government assistance programs. But the surge in our national debt is not due solely to COVID spending. "Even if the pandemic was over tomorrow, the federal government continues to spend a trillion dollars a year more than it is raising in tax revenues," says **Chris Edwards**, economist with the CATO Institute. "Current federal debt is equal to \$187,000 for every household in the nation."

Edwards warns this level of debt is unsustainable, and could lead to a serious economic crisis if not reversed. "If interest rates start rising, government costs on the debt they've already accumulated would start skyrocketing, and that would start squeezing out everything else in the budget," he tells KTRH. "Either the government would have to hike taxes a lot, or it would have to start cutting programs like Social Security or other welfare programs."

Save for a few deficit hawks in Congress, the debt spiral has been a bipartisan problem, with both parties overseeing massive spending while repeatedly **raising the debt ceiling**. Edwards is pleased that President Biden's massive multi-trillion dollar "Build Back Better" bill appears dead, but he warns that Congress must do a lot more to get this problem under control. "We shouldn't be putting our costs onto the future generations, when people in the future will have their own costs to deal with," he says. "So while the economy is growing now, we should be prudent in paying down this debt."