

NATIONAL REVIEW

National Debt? What's That?

Bernie and Hillary would proudly add to the national debt. Most of the Republicans aren't addressing it.

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Does anyone remember the national debt?

Judging from the presidential campaign so far, perhaps we should put the debt's image on a milk carton somewhere. In the last Republican debate, there was precisely one question on the debt — and the candidates answered it by talking about their tax plans. That was far too typical. According to the FiveThirtyEight website, “the deficit” was mentioned an average of two times in the first five televised Republican debates (including the “undercard” debates) by all the candidates — and the moderators — combined. And “the national debt” was brought up an average of 6.5 times. This compares to an average of 3.2 “deficit” mentions and 10.9 “debt” mentions in the 20 GOP debates during the 2012 campaign.

But while the candidates have been wrangling over such vital issues as fantasy sports betting or Ted Cruz's citizenship status, our growing sea of red ink has quietly risen toward \$19 trillion. One might think our impending national bankruptcy might be worth a bit more attention.

In his State of the Union address, President Obama took a bow for reducing our annual budget deficit by two-thirds during his time in office. He's correct. Since its high of \$1.4 trillion in 2009, the deficit had dropped to just \$439 billion last year, although the president failed to mention that his policies, including the 2009 stimulus bill, helped drive the deficit to those record levels, and policies that he opposed, such as sequestration, helped bring it down.

But the respite is just temporary. According to the Congressional Budget Office's newest estimates, released yesterday, the deficit is already rising again, and will exceed \$544 billion this year. By 2022, just six years from now, we will once again be experiencing trillion-dollar deficits every year.

And even with lower deficits, the national debt is still rising. By 2025, our debt will top \$27 trillion. Yet, Congress is not only kicking the can down the road, it is making the problem worse. Just last year, Congress put in place spending that will raise the debt by \$1.2 trillion over the next ten years. The Committee for a Responsible Federal Budget called 2015 “a banner year for fiscal irresponsibility.”

And none of this includes the more than \$69 trillion in unfunded liabilities being run up by Medicare and Social Security.

But out on the campaign trail? Crickets.

We know what the Democrats would do about the debt — make it worse. Bernie Sanders has proposed at least \$18 trillion in new spending over the next ten years, and even after the trillions in additional taxes he seeks, his plans would add trillions to the debt. In comparison, Hillary looks like a model of fiscal rectitude. She has proposed only \$1.1 trillion in new spending, although more proposals to expand government are coming. Both Democrats oppose any reform of entitlement programs like Social Security and Medicare. In fact, Bernie seeks to expand both programs, while Hillary suggests she would consider new benefits. So the Democratic plans are clear: squeeze some more passengers onto the *Titanic*.

But what about Republicans? They have all issued very detailed tax proposals, but with the occasional exception of Chris Christie and Rand Paul, they have generally skipped the more difficult discussion of spending cuts. Some, like Donald Trump, join Democrats in opposing entitlement reform. Others simply duck the question.

Unfortunately, those tax proposals, even using dynamic scoring to account for increased economic growth, will reduce government revenues, by a relatively trivial \$768 billion (Cruz) to a huuuuge \$10 trillion (Trump) over the next ten years. (Rand Paul's proposal is the exception, resulting in a \$737 billion increase in revenue after taking into account economic growth.) Of course, we should want the government to have less of our money. But unless the revenue reductions are accompanied by reductions in spending, they will only add to the debt. It's called math.

The debt matters. Not only is it remarkably unfair to our children and grandchildren, it is imposing costs today. Our economic growth is slower and our wages lower than they would be if it were smaller. Other political and economic priorities are being squeezed out. Interest on the debt was projected to reach \$261 billion this year, and exceed \$500 billion by 2020 even before factoring in the recent budget-busting deals.

One might think that was worth talking about. So far in this campaign, one would apparently be wrong.

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