

Editorial: The big issue we're avoiding

March 1, 2016

In mid-January Michael Tanner, a senior fellow at the Cato Institute, a libertarian think tank in Washington, opened a piece about the presidential contest with a question: “Does anyone remember the national debt?” Tanner penned in *National Review*. His answer, based on how much the candidates from both parties had discussed the debt, was a blunt no.

The election campaign of the past year has contrasted sharply with most of President Barack Obama’s tenure in office. For years you couldn’t escape rhetoric announcing the pending collapse of our national economy because of the mountain of debt we were piling up.

The debt debate, driven largely by Obama’s healthcare and stimulus plans, fueled the rise of the tea party, led to the Republicans retaking control on Capitol Hill, inspired a rare compromise between Congress and the president for automatic budget cuts (most often referred to as the sequester) and once shut down the federal government for almost three weeks.

Today, though, as Tanner observed of the candidates, “Out on the campaign trail: crickets.”

Last week, Marc Goldwein, senior vice president for the Center for a Responsible Federal Budget, a bipartisan Washington-based think tank, visited Lakeland to remind us that the debt has not magically gone away, despite a falling annual budget deficit. In fact, he shared, it is getting worse and would continue to do so no matter who succeeds Obama.

The problem, he told *The Ledger*’s editorial board, is that neither the presidential contenders who remain nor the voters have thought seriously about our fiscal woes.

Take Donald Trump, for example. The center reviewed his plan first, Goldwein told us, because the lack of specifics made it the easiest to crunch.

According to Goldwein, over the post-World War II, pre-Obama period, the yearly federal debt historically averaged about 35 percent of America’s gross domestic product (GDP). Under Obama, who admittedly was responding to a unique and ominous economic crisis, the debt-GDP ratio shot up to almost 80 percent and will remain there until after he leaves office. Obama’s own budget writers project, based on current laws and spending levels, that ratio will creep up to 86 percent by 2026.

As bad as being more than twice the historical average is, Trump’s combination of tax cuts and lack of entitlement cuts would make that significantly worse, Goldwein said. On the low end, the

debt would grow to 115 percent of our national economic output under President Trump. It could spike to as much as 140 percent.

Goldwein said the other candidates are similarly awful — although he acknowledged that their plans needed additional scrutiny, which will be forthcoming over the next few weeks.

Consider Sen. Bernie Sanders, for example. Forgetting all the other goodies he promises and looking at just his single-payer, universal health care program, the center estimates the debt would mushroom to between 90 percent and 150 percent of GDP by 2026. By Sanders' own estimate, the debt during his administration tracks with the Obama administration's current projections. Goldwein noted that Sen. Marco Rubio's budget plan has some "strong elements" that help bend the debt's trajectory the right way, meaning down, but ultimately his ideas — \$6 trillion in tax cuts and a big boost in military spending — will pad the debt.

Goldwein offered a better way to think about our choices: weigh all the presidential hopefuls against Obama, and the most prudent and responsible spender is . . . Obama.

Goldwein says his group is simply looking for the national debt to start a downward arc toward zero, and right now, based on what candidates are saying, that's not in view.

"We're on an unsustainable course," he told us. "It's really discouraging that the candidates are talking a good game, but no one really has a plan. The idea that we can fix everything without hurting no one is a huge and pretty dangerous myth."

Where once the debt was all we could talk about, now no one wants to talk about it — except Goldwein and his group. Unfortunately, they're not running for anything. We're at \$19 trillion and counting, and without action, the debt will eventually eat us up, consuming a bigger share of the tax-revenue pie and undermining the economic growth that could help make a dent. As Cato's Tanner observed at the end of his column, you might think that would be worth discussing, but so far, the crickets have the floor.