Fiscal reality of staggering debt

by The Indianapolis Star

In 2001, the year George W. Bush became president, the national debt stood at $5.73 trillion. Last week, the debt soared past the $11 trillion mark. And it's projected to climb much higher in the next few years â€” topping at least $16 trillion in 2012.

This staggering accumulation of debt, built year after year by presidents and congressional leaders from both parties, is almost certain to weaken the U.S. economy in the long term. It also will limit the policy options open to future leaders and the personal opportunities available to future generations.

The Obama administration, faced with managing through the worst economic conditions in at least three decades, is aggressively pursuing an approach adopted by past presidents, Republicans and Democrats, by pumping massive amounts of money into the economy in hopes of stimulating recovery. How effective that strategy has been in the past, and will be now, is a subject that sharply divides many economists.

However, an even larger concern than the current recession, as deep as it is, is the long-range forecast. The Congressional Budget Office last week projected huge annual budget deficits for years to come, forcing the government to borrow almost $9.3 trillion over the next decade.

Both Congress and the president must take that projection seriously and make real strides, if not this year then soon after, to rein in spending.

That may well mean â€” and it will be hard for the administration to accept â€” that ambitious and expensive projects such as national health care are delayed at least until the economy rebounds and tax revenues pick up.

As noted, both political parties are far from pure on this issue. Congressional Republicans in recent months have suddenly rediscovered the dangers of deficit spending. But their wanton disregard for such concerns over the past year eight years undercuts any credibility they might have on the matter.

With that said, fiscal conservatives such as Indiana Republican Mike Pence and Democratic moderates such as Evan Bayh and Brad Ellsworth deserve to be heard when pressing for a more responsible approach to spending on Capitol Hill.

It defies reason that the nation can continue to pile up enormous debt without eventual consequence. That's

not a conservative or liberal, Democratic or Republican point. It's a matter of fiscal reality. And one that the nation's leaders must finally accept.

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