



Subject: Government Debt

Text:

“From the ratification of this amendment, the government shall reduce the amount of total outstanding government debt by no less than four per cent annually until it is retired, except in years following one with three calendar quarters of negative economic growth or during years in which Congress declares a ‘Budget State of Emergency.’

Reform Category(ies):

- ☐ Anti-Corruption, Transparency, Accountability
- ☐ Counter-Majoritarian Requirements
- ☐ Democratic Processes
- ☐ Enhanced Rights/Protections
- ☐ Limits to Political Power/Immunities
- ☐ Necessary Clarifications
- ☒ Responsible Government
- ☐ Separation of Powers/Check and balances

Branch(es) targeted:

- ☒ Legislative ☐ Executive ☐ Judicial

Justification:

Debt chokes out more productive government spending, imposes interest payments on future generations, makes money more expensive (so higher interest rates/inflation elsewhere), invites pernicious foreign meddling, and degrades America’s reputation and power.

We cannot responsibly retire our 15 trillion dollar national debt immediately, but must do in installments. We’ve chosen a twenty-five year payback period, which would require debt-retirement outlays in the first year of more than half a trillion dollars (compare that with an annual government budget of a bit over 4 trillion). A longer payoff period would be prudent and still reassure markets, but dammit, we’re not going to start by negotiating with ourselves.

There is economic utility in having some U.S. debt in circulation, so it may be that a substantially-reduced-but-not-zero level of debt is the right goal. There is also merit in proposals to separate entitlement spending required by law from annual Congressional budgeting. Neither

can be captured in language appropriate for an amendment (and shouldn't be). As above, if we have paid off the overwhelming amount of U.S. debt in thirty years and are arguing about these secondary issues, we'll be in a very good place.

Alternatives to Amendment?

A Constitutional Amendment is a clunky tool for disciplining debt repayment, but as with our balanced budget amendment, if Congress sees a ratification process in the rear-view mirror and approaching fast, they'll have the right incentive.