



February 26, 2019

Support the Resolution Recognizing the National Debt as a Threat to National Security, H.Res. 149 and S.Res. 78

On behalf of our activist community, I urge you to contact your representative and senators and ask them to cosponsor the resolution recognizing the national debt as a threat to national security, H.Res. 149 and S.Res. 78. Introduced by Rep. Andy Biggs (R-Ariz.) and Sen. David Perdue (R-Ga.), the resolution offers inconvenient facts about the national debt, the unchecked growth of which will cause severe national security and economic problems for the United States.

In February 2000, the total national debt, including intragovernmental holdings, was \$5.748 trillion. Although it had grown, the debt was still manageable. Congress was in the midst of consecutive years of balanced budgets. Federal spending as a percentage of gross domestic product (GDP) was 17.6 percent.

In February 2018, Congress passed a budget agreement that busted the previously established spending caps by \$296 billion over two years. The following month, Congress passed the FY 2018 spending deal that spent \$100 billion above the spending caps in the new budget. Before the recess earlier this month, Congress passed the FY 2019 spending bill, which spent \$103 billion above the spending caps.

After years of fiscal profligacy, the total national debt now exceeds \$22 trillion. The federal budget hasn't been balanced since FY 2001, and the Congressional Budget Office projects that federal spending as a percentage of GDP is projected to be 20.8 percent this year. Federal spending as a percentage of GDP peaked in 2009 at 24.4 percent of GDP, amid four consecutive years of \$1+ trillion budget deficits. This year, the budget deficit is projected to reach nearly \$900 billion.

Over time, the United States' fiscal situation will only grow worse. Medicare's Hospital Insurance Trust Fund will be able to pay 100 percent of benefits through 2026, after which the trust fund will be able to pay 91 percent of benefits. Social Security Disability Insurance Trust

Fund will be depleted in 2034. The program will be able to pay only 77 percent of benefits, thereafter.

Some believe that cutting nondefense discretionary spending will solve the federal government's fiscal woes. Under current law, nondefense discretionary will represent 14.1 percent of projected federal spending in FY 2020. This assumes that Congress doesn't pass a budget this year to, once again, increase the spending caps. Congress could cut all nondefense discretionary spending and still run a budget deficit of more than \$250 billion.

Others believe that higher taxes would address the problem. Individual income tax receipts as a percentage of GDP are projected to hit 8.3 percent this year, which is higher than the peak years of the 1950s when individual income tax receipts reached 7.8 percent of GDP. Of course, whenever taxes are increased, opportunities for Americans and economic growth are sacrificed.

This course the United States is on is fiscally unsustainable. If the current approach of Congress, which is effectively to do nothing, were to continue to be maintained, the share of the debt held by the public, which excludes intragovernmental holdings, will reach 152 percent of GDP by 2049. Furthermore, proposals from the so-called "democratic socialist" wing of the Democratic Party would blow our debt and deficits up to an even more unsustainable level than we are staring down now.

The Green New Deal, according to a study released this week, could cost up to \$93 trillion over the next decade, or averaging \$9.3 trillion annually over that period. Adding this to our federal budget would more than triple what we currently spend, and without increased revenue, would multiply our annual deficits many times over, plunging us rapidly into a situation where we could very quickly potentially quadruple or quintuple our current national debt in a decade.

The cost of borrowing to finance deficit spending and the growth of entitlement programs (and the possible creation of new ones like Medicare for All and a federal jobs guarantee, as per the Green New Deal) will crowd out other areas of the budget, such as defense discretionary spending. This will only leave the United States vulnerable to national security threats.

These aren't new warnings. In September 2011, then-Chairman of the Joint Chiefs of Staff Admiral Michael Mullen said, "I believe the single, biggest threat to our national security is our debt, so I also believe we have every responsibility to help eliminate that threat." More recently, in March 2018, Director of National Intelligence Dan Coats said, "Our continued plunge into debt is unsustainable and represents a dire future threat to our economy and to our national security."

H.Res. 149 and S.Res. 78 simply identify the problem. But the first step toward dealing with the problem is recognizing it. For these reasons, I urge you to contact your representative and senators and ask them to cosponsor the resolution recognizing the national debt as a threat to

national security, H.Res. 149 and S.Res. 78.

Sincerely,

A handwritten signature in black ink, appearing to read 'A. Brandon', with a stylized flourish at the end.

Adam Brandon
President, FreedomWorks