

The Federal Debt

Discussion Guide

Let's review

At the start of each discussion, review the conversation ground rules for returning and new members alike to set the stage for active participation by all. You may want to use a timer as you go around the room. And don't forget to decide who will take notes and post a discussion recap.

- **Be open and curious:** Everyone has a unique perspective, so be prepared to hear a different point of view. Listen first, and focus on the facts.
- **Be respectful and engaged:** Be sure that everyone has a chance to speak before adding a second comment or perspective. Encourage each other's participation.
- Be focused and concise: Keep the conversation centered on the issue and the brief.

The "Table-it" Rule: If the group has gone off-topic but the area is of interest, the group can table the conversation and save it for another time to be addressed in a different manner.

Let's begin

Each member is invited to answer the following questions in a **two-three minute reaction** to the brief.

- Introduce yourself, and share what "lens of care" did you wear when reviewing this brief (e.g. personal, professional, community, state, nation, global)?
- What did you find most interesting or surprising from reading the brief? What matters?

Let's discuss

Pick 2 or 3 questions that resonate with the group and discuss, or choose your own.

- In your opinion, what is the priority in regards to excessive government spending?
- Were there some points with which you strongly agreed or disagreed? Was there a perspective that was missing?
- Is there a way to make Congress live within its means and stop wasteful spending?
- What is the impact of debt and deficit on future generations?
- Many recent reform proposals are controversial. Is the key:
 - Increasing revenue, such as through higher taxes?
 - More restraint in spending, which could result in program cuts or decreased entitlement program benefits?

Let's act Spread the Word: Some Facts to Share

- After falling steadily since the beginning of the economic recovery in 2009, the federal deficit in FY 2016 increased for the first time in five years to <u>\$587 billion</u>. For FY 2019, it was <u>\$984 billion</u>.
- <u>Total U.S. debt</u> grew to over \$23 trillion at the start of 2020, meaning the debt is larger than the <u>U.S. GDP of \$21.7 trillion</u>.
- The largest single holder of our debt is currently the <u>Social Security Agency</u>, at about 13%.
- Mandatory spending consisting mainly of Social Security, Medicare, and Medicaid accounted for over <u>60% of total government spending</u> in 2019.
- Between 2019 and 2049, <u>federal spending</u> is projected to increase by 7.5% of GDP, while <u>revenue</u> is only projected to increase by 3%.
- The OMB calculated that between FY2004 and FY2017, the federal government made <u>\$1.2 trillion worth of improper payments</u>.

Engage Locally

- Learn more:
 - **Research your elected representatives' positions** on the debt and deficits, and their vision for how to tackle budgeting challenges facing Americans and your community.
 - Your legislators, state comptroller, attorney general and other local elected officials want to know their constituents. Write to them about your interest in the balance sheets of your community.
 - You can find contact information for federal, state, and local government officials <u>here</u>. Your state or municipality's websites will also have information to contact leaders. Try looking at the drop-down menu for a *Government* tab.
 - Explore the impact of fiscal policy and fiscal responsibility in your community.
 - On your state or municipality website, try searching "budget, spending" in the search bar.
 - <u>Ballotpedia</u> has economic, social, legal, and demographic fiscal information for on a state-by-state basis.
 - To research state specific entitlement spending, search "Budget and Finances in [your state]" in the search bar on the main page.
 - To research state specific public pension debt, search "*public pension in* [your state]" in the search bar on the main page.
- Reach out:
 - Explore what organizations, legislators, and journalists you could contact to ask questions, learn more and get engaged.
 - If you have trouble finding the information you are looking for on your municipality's website, consider contacting agency or department heads. You can find the contact information for federal, state, and local government officials <u>here</u>.
 - The Policy Circle offers a number of resources for engaging on the local level. Learn how to write a letter to the editor on <u>The Policy Circle website</u>.
 - It's easy to establish a relationship with your legislators. Start by introducing yourself. You can also learn to write to your representatives or set up a meeting with a legislator on <u>The Policy Circle website</u>.

Post a Recap/Dive Deeper:

- Summarize your discussion to share thoughts with members not present. Designate who will post a meeting recap on your circle page.
- Decide your next meeting topic. Want to discuss a related brief at your next meeting?
- This brief is part of the Foundational Five <u>Conversation Series</u>. Other briefs in the series include:
 - Free Enterprise
 - Entitlements
- Dive Deeper into this area. If this is an area you would like to pursue further, consider taking possible steps to influence policy. The Policy Circle offers resources for <u>developing</u> <u>a message about your issue</u> and <u>organizing a petition</u> to amplify your voice and raise awareness.