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The debt is the threat

By **The Oregonian Editorial Board**

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A bipartisan fiscal commission is Congress's way of admitting that it cannot rise above politics to do the best thing for the country.

It's a shame, but that's the way it is. America's finances are a train wreck and they're getting worse, not better. At least there's a growing recognition that Washington cannot continue to pretend it's not a problem.

Members of Congress and President Barack Obama have expressed support for the idea of creating a commission that would craft a comprehensive package of measures to address entitlements, the tax structure and all the programs that have raised the gross national debt to a mind-blowing \$11.4 trillion. The idea, though not universally embraced, is gaining traction.

As Obama told the Washington Post in July, to make structural reforms to the economy, "you probably have to set up some sort of commission or mechanism that reports back with the prospect of maybe locking in a pledge for action, post election." Such a commission would look at everything, the president said, from Social Security to health care.

This suggestion was immediately applauded by former Comptroller General David Walker, who has long called for Americans to awaken to the dimensions of the fiscal calamity that is accruing. And it has been seized upon by a growing number of legislators and various think tanks.

Sens. Judd Gregg, R-N.H., and Kent Conrad, D-N.D., the senior members of the Senate Budget Committee, were among the first to seriously propose this idea. As Gregg put it when he and Conrad unveiled the proposal two years ago, "the retirement of the Baby Boomers will seriously exacerbate a problem that has been building for years."

They're right about that. The unfunded obligations for Social Security and Medicare are growing at a rate of \$3 trillion a year, notes Walker, the former comptroller. Walker calls the looming financial crisis "our dirty bomb."

Despite the magnitude of the problem and the proven reluctance of Washington to address it, the bipartisan commission idea has come under attack in some quarters. Lefty bloggers have assailed it as "Judd Gregg's plan to destroy Social Security."

Yet the uncomfortable fact is that Social Security is on an unsustainable course, and Medicare is much closer to the cliff. The retirement of the largest cohort of the population is only going to bring the days of reckoning closer. America's public debt already is broadly held by foreign investors, such as the treasury of China. Such external leverage will only increase as the debt grows.

The times are desperate already. And since Congress hasn't demonstrated much nerve on true tax or entitlement reform yet, there's little reason to expect it to do so as the problem worsens. Desperate measures look better and better all the time.