

**Assignment #4: Analyzing the U.S. National Debt Dilemma: A Review of Fiscal Policy
Perspectives**

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Abstract

The United States faces an unprecedented challenge in managing its national debt, which has reached levels nearly equivalent to the country's entire economic output. In the article “The U.S. National Debt Dilemma” published by the Council on Foreign Relations (CFR), authors James McBride, Noah Berman, and Anshu Siripurapu examine the implications of this rising debt and the political obstacles that hinder effective fiscal policy reform. This paper critically evaluates the article's arguments, assumptions, and the credibility of its authors and their organization. It also reflects on the policy-making process as depicted and assesses whether the article provides a trustworthy basis for decision-making in public finance.

Questions Addressed in the Article

At the heart of the article are two central questions: What are the economic and political consequences of the United States' escalating national debt, and what practical steps can policymakers take to mitigate this growing concern? These questions are not only clearly articulated but also strategically framed to suit the background-style format, which aims to inform and guide without advocating a specific policy stance. The authors set the stage by situating the debt issue within the broader context of contemporary fiscal challenges, particularly those amplified by pandemic era stimulus spending, ongoing tax cuts, and structural budget imbalances. These economic pressures have significantly widened the fiscal deficit, making the article's inquiry both timely and urgent. From a public policy perspective, the authors sharpen their focus on the long-term sustainability of the national debt, highlighting it as a core issue with far-reaching implications for economic resilience and governmental flexibility. They assess the viability of commonly proposed solutions, most notably spending reductions and tax reforms, not

simply as economic tools, but as politically sensitive choices that require bipartisan cooperation. The article examines these strategies through a pragmatic lens, recognizing both the economic rationale behind them and the political resistance they typically face. In doing so, it bridges technical policy analysis with real-world legislative constraints, offering readers a grounded understanding of what fiscal reform might entail and why it remains so elusive. This dual emphasis on policy feasibility and political reality adds substance to the article's central inquiry and reinforces its value as a resource for decision-makers and engaged citizens alike.

Thesis Statement and Argument Analysis

The article posits that the national debt of the United States presents significant risks, such as reduced economic flexibility, increased interest costs, and a potentially weakened global position. The authors argue that without substantial fiscal reform, the debt trajectory could undermine both economic stability and U.S. international leadership. They support this thesis with references to projections from the Congressional Budget Office (CBO) and insights from various economists who warn of the dangers of continued borrowing (McBride et al., 2023). The article is persuasive in its core arguments, as it combines economic forecasts with political analysis to provide a well-rounded discussion. The underlying assumptions, that high debt levels are inherently risky and that bipartisan action is required to enact fiscal reforms, are reasonable and align with mainstream economic thought.

Intended Audience and Source Credibility

The intended audience for the article appears to be policymakers, academics, and informed citizens interested in fiscal and economic policy. The writing is accessible yet sophisticated, appropriate for a general policy-oriented readership. CFR's long standing

reputation and rigorous editorial standards lend significant credibility to the article. Although think tanks may have institutional perspectives, CFR is widely regarded as centrist and balanced. There is no overt ideological bias in the article, and it includes viewpoints from across the political spectrum. Thus, the content can be trusted as a foundation for forming educated opinions on national fiscal policy.

Depiction of Fiscal Policy-Making

The article portrays the crafting of fiscal policy as a complex and often gridlocked process, particularly in a polarized political climate. It highlights how partisan divisions make it difficult to achieve consensus on necessary but unpopular measures such as tax increases or spending reductions. While the article does not explicitly delve into the ethical or equity aspects of fiscal policy decisions, it implicitly suggests that the inability to act decisively affects the broader population and future generations. The process as described seems neither fully effective nor equitable, as it is hindered by political inertia. However, the authors present a realistic portrayal of current legislative dynamics, emphasizing the need for compromise and long-term planning.

Overall Critique of the Article

The CFR article is clearly written, logically structured, and presents a compelling and balanced analysis of the U.S. national debt crisis. The authors support their conclusions with a robust combination of empirical data, forecasts from the Congressional Budget Office, and commentary from respected economists. This grounding in credible evidence strengthens the article's persuasiveness and positions it as a thoughtful contribution to the ongoing debate about national fiscal policy. Importantly, the article does not ignore opposing views; rather, it addresses

potential counterarguments with nuance and fairness, acknowledging the inherent uncertainty in economic forecasting and the ideological divisions that shape fiscal policy debates.

However, one notable limitation is the article's treatment of equity considerations within fiscal policy specifically, how different demographic or socioeconomic groups may be disproportionately affected by various debt-reduction strategies. For example, spending cuts to social programs or regressive tax policies could exacerbate existing inequalities. A more thorough examination of these distributive impacts would have enriched the analysis and offered a fuller picture of the real-world implications of proposed reforms. Despite this shortcoming, the article stands out for its clarity, depth of research, and balanced tone. It succeeds in illuminating the fiscal challenges posed by the national debt while offering a credible and well-informed foundation for further inquiry and policy deliberation. As such, it remains a valuable resource for those seeking to engage with the issue at a serious and informed level.

Conclusion

"The U.S. National Debt Dilemma" offers a clear and insightful look at one of America's biggest financial challenges. It does a great job of asking the right questions, laying out a strong argument for fiscal reform, and backing it all up with credible data and expert perspectives. The article also gives readers a realistic view of how tough it is to pass meaningful policy in today's divided political climate. While it could have gone deeper into how debt solutions might impact different groups of people, that gap doesn't take away from its overall value. Despite a few minor gaps, it's a well-rounded piece that brings important issues to light and encourages smarter conversations about the future of our economy.

References

McBride, J., Berman, N., & Siripurapu, A. (2023). *The U.S. national debt dilemma*. Council on

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