

CURRENT SCHOLARSHIP

Stimulus for all

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Well into the 21st century, the federal government still lacks the capacity to deliver aid to the poorest and most vulnerable Americans in a crisis. To anyone who has followed the Federal Emergency Management Agency's struggles to distribute relief in the aftermath of natural disasters, this fact has been obvious since Hurricane Katrina. But COVID-19 puts it in even starker relief. As many as 12 million eligible Americans did not receive a stimulus payment in 2020 – most of whom did not file taxes because of their low income – and there is no reason to believe that the latest round of payments has improved on this dismal figure.

What is needed is a universal system of public distribution that operates through electronic payments into bank accounts. Unfortunately, more than 6 percent of U.S. households – comprising 14 million adults – are currently unbanked, and these figures are 17 percent and 14 percent, respectively, for Black and Hispanic households.

The challenge of achieving both universal benefit distribution and universal bank accounts may seem daunting, yet the Treasury Department has already developed a solution to both problems. The Treasury's little-known Direct Express debit card holds the key to attaining both universal benefit distribution and universal bank accounts in America.

Krishnamurthy, Prasad, "Stimulus for all," *The Hill*, May 14, 2021;

<https://thehill.com/opinion/finance/553620-stimulus-for-all?rnd=1621022888>.