



Written by [C. Mitchell Shaw](#) on June 10, 2021

Calls for Another Round of Stimulus Checks Ignore Data Showing Most Americans Saved Previous Payments

Plans for another round of “stimulus checks” are underway, including an additional \$250 to \$300 in monthly payments per child per household. There are also rumors of monthly payments of \$2000 per adult. The claim is that Americans cannot make it in the current economic climate (caused by government handling of COVID) without ongoing assistance. This is a classic case of creating the poison and the antidote in the same laboratory. But more than that, it simply isn’t true, according to the available data.



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Making the case for more “free” money from Uncle Sam, CBS News is [claiming](#):

Some top economists have called for more direct aid to Americans. More than 150 economists, including former Obama administration economist Jason Furman, signed a letter last year that argued for “recurring direct stimulus payments, lasting until the economy recovers.”

Although the economy is improving, including a surge in hiring in March, millions of people continue to suffer from reduced income and have not been able to tap government aid programs, said Greg Nasif, political director of Humanity Forward, a nonprofit pushing for recurring stimulus payments. Only 4 in 10 jobless workers actually received unemployment aid, according to a March study from economist Eliza Forsythe.

That article by CBS News, under the headline, “What’s behind the push for a fourth stimulus check,” paints a very bleak picture of “millions” of Americans “still living paycheck to paycheck” and claims:

Millions of Americans were spared hardship due to the three rounds of stimulus payments, researchers have found. But when stimulus has faltered, such as last fall when Congress was deadlocked on another round of aid, hardship increased “markedly” in November and December, according to a May analysis of Census data from the University of Michigan.

Furthermore, the article cites a Change.org petition with more than 2.3 million signatures calling for “recurring \$2,000 monthly payments.” The assertion is that in the absence of government handouts, people simply can’t make ends meet. And Democrat lawmakers — ever ready to increase the welfare state — are chomping at the bit to make this a reality. As the article states:

For many people, in short, the latest round of \$1,400 checks may not last long — an issue that is on the minds of many Americans who continue to struggle with joblessness and a weak labor market. Indeed, more than 2.3 million people have signed a Change.org petition



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started last year that calls on lawmakers to pass legislation for recurring \$2,000 monthly payments.

Some lawmakers have picked up the idea. Twenty-one senators — all Democrats — signed a March 30 letter to Mr. Biden in support of recurring stimulus payments, pointing out that the \$1,400 payment being distributed by the IRS won't tide people over for long.

But wait a second. Setting aside for the moment the salient point that printing money and handing it out like party favors is way outside the province of government, this writer would like to point out that the entire premise on which Democrats are building their argument is false. That argument, as stated in the CBS News article is that "For many people, in short, the latest round of \$1,400 checks may not last long." But according to data made available from Bank of America — which no one can accuse of being a Right-wing entity — the latest *two rounds* of stimulus checks have lasted considerably longer than Democrats would like to admit.

In an appearance on CBS News' *Face the Nation*, [Bank of America CEO Brian Moynihan said](#) that Americans have saved up to 70 percent of their latest stimulus checks. As Yahoo News [reported](#):

Americans have collectively saved billions from the last two rounds of stimulus checks, Bank of America CEO Brian Moynihan told CBS in an interview on Sunday.

"Our consumers have lots of money in their checking accounts," Moynihan told CBS. "They have not spent about 65-70% of the last couple of rounds of stimulus."

The second and third rounds of federal government stimulus checks totaled an estimated \$575 billion, according to the Peter G. Peterson Foundation, an economic think tank. If the US population at large have saved as much as Bank of America's customers, this could therefore mean unspent money from stimulus payments is as much as \$400 billion.

So, the same Americans who cannot survive without another round of stimulus checks — perhaps even *needing* recurring monthly payments of \$2,000 — have left 65 percent to 70 percent of the last two checks sitting idle in their checking accounts. This writer does not claim to have a degree in economics, but that math does not add up to the need for another round of stimulus checks or any more "free" government money in any form. In fact, it adds up to evidence that the last two rounds (*at the very least*) were unnecessary.

But wait. There is more.

It is not even as if those Americans are going without while socking away a collective \$400 billion. Because Moynihan — who has access to the data of Bank of America customers' spending habits — also said that Americans are spending at a rate 20 percent above that of 2019. From the [transcript](#):

And the spending by our consumer, which is a trillion and four so far this year, is up 20% over '19 and obviously a lot over '20. And what that really tells you is that you're seeing a 10% growth rate, which is a faster growth rate on a bigger amount.

And far from spending their money on only necessities, Moynihan says they are spending it on luxuries:



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So you're seeing the spending move to domestic travel, spending is up dramatically. Car rentals, hotels for leisure travel, not business travel yet, that will probably be late this fall, is strong. Theme park bookings and things like that. Those are all very good signs. And by the way, it's shifting from buying food in the store to more people going to sit-down restaurants, even over quick-service restaurants. So you're seeing that natural behavior, which is I can go out, I can do things and I can sit down and eat dinner.

So, spending on luxuries (leisure travel, theme parks, nice restaurants, etc.) is up and 65 percent to 70 percent of the last two rounds of stimulus checks is still sitting unspent while Democrats and Leftist activists on Change.org are calling for a full-fledged nanny state to provide an ongoing income for Americans.

It is noteworthy, too, that both of these reports are from CBS News. The Moynihan interview transcript was published May 6. Three days later — and with full knowledge that the lion's share of the last two stimulus checks are sitting unspent in checking accounts — CBS News ran the other article calling for more “free” government money lest we all perish of destitution.

The good news here is that many Americans are prudent enough to sock that extra money away for a rainy day. That the money is still sitting there is an indication that it is not raining yet. The dire financial predictions made by Democrats seem to be about as reliable as their dire predictions of a COVID death toll that by now should have made the Black Plague look like a round of Chicken Pox.

Americans need to reject the lies of the Leftists and demand that Congress abandon all plans to print more “free” money under the pretext that we need it. Because we don't.



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