

Do No Harm: How Hawai'i State Government Can Mitigate the Covid-19 Economic Crisis

Robert Perkinson, University of Hawaii at Manoa

When our household income suddenly declines, we have little choice but to cut back. We cook instead of ordering takeout. We try to be careful with our credit cards. In a personal financial crisis, tightening our belt is necessary, prudent, even a sign of good character.

Common sense for our families, however, does not always apply to governments. Governments have unique powers and responsibilities. They can spend, borrow, make laws, and command their own revenue in ways households and businesses cannot.