



Written by [R. Cort Kirkwood](#) on February 18, 2011

Interest On Debt To Quadruple Within 10 Years

Anyone who reads a newspaper knows the United States is financially doomed. Even reportage from the usual left-wing sources confirm as much to anyone who understands math. Yet one of those sources, the Washington Post, revealed early this week just how bad the situation is.

According to the *Post*, within 10 years, interest payments on the \$14 trillion-plus national debt will exceed all budgetary outlays for all spending except defense and Social Security.



[Reported the Post,](#)

Interest payments on the national debt [will quadruple](#) in the next decade and every man, woman and child in the United States will be paying more than \$2,500 a year to cover for the nation's past profligacy, according to figures in President Obama's new budget plan.

Starting in 2014, net interest payments will surpass the amount spent on education, transportation, energy and all other discretionary programs outside defense. In 2018, they will outstrip Medicare spending. Only the amounts spent on defense and Social Security would remain bigger under the president's plan.

Amusingly, the *Post* quoted two economists who explained the obvious. The balance sheet of the United States is a "serious problem," one said.

[Harvard University's Gregory Mankiw](#), a member of the Council of Economic Advisors during the second Bush Administration, [predicted what](#) will happen:

"The scary scenario - which I am not predicting but is a real possibility - is an incident of capital flight, where investors lose confidence in the U.S., causing interest rates to rise precipitously and pushing the budget deficit even further into the red," said N. Gregory Mankiw, a Harvard economics professor and former chairman of President George W. Bush's Council of Economic Advisers.

More Deficits Coming

[The interest payments](#) look particularly bad in light of other facts. [Douglas Elmendorf](#), director of the Congressional Budget Office, [testified to](#) the House Budget Committee on Jan. 27 that the Obama Administration's [future budgets](#) in the coming years would carry \$7 trillion to \$12 trillion in combined annual deficits.

[Reported Fox News:](#)

Congressional Budget Office Director Douglas Elmendorf, on the heels of a report pegging the 2011 budget deficit at a record \$1.5 trillion, testified before the Senate Budget Committee on the risks of inaction. He said cumulative deficits over the next 10 years could run anywhere from \$7 trillion to \$12 trillion.



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He warned that making budget cuts too deep, too fast could be “disruptive” to the economic recovery at a fragile time. But he said Congress will have to start balancing the budget soon if it wants to head off, or at least minimize, the chance of a national debt-driven fiscal calamity in the future.

“The longer that you wait to make those policy changes ... the greater the negative consequences (of the national debt) will be,” he said.

CBO’s numbers, then, forecast a tsunami of debt over the next decade that will only add to the debt the country holds now.

We Can’t Pay It Off

[The debt topped \\$14 trillion](#) in January. As [The New American explained](#), citing [The Economic Collapse website](#), paying that debt off is now impossible because owes more money than the money in existence:

It is now mathematically impossible for the U.S. government to pay off the U.S. national debt. You see, the truth is that the U.S. government now owes more dollars than actually exist. If the U.S. government went out today and took every single penny from every single American bank, business and taxpayer, they still would not be able to pay off the national debt. And if they did that, obviously American society would stop functioning because nobody would have any money to buy or sell anything.

And the U.S. government would still be massively in debt.

Yet President Obama proposes adding even more debt by [running up](#) \$7 trillion to \$12 trillion in deficits during the next 10 years.

The money [is gone](#). But Obama, liked an [irresponsible](#) teenager with a no-limit credit card, wants to continue the spending.



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