

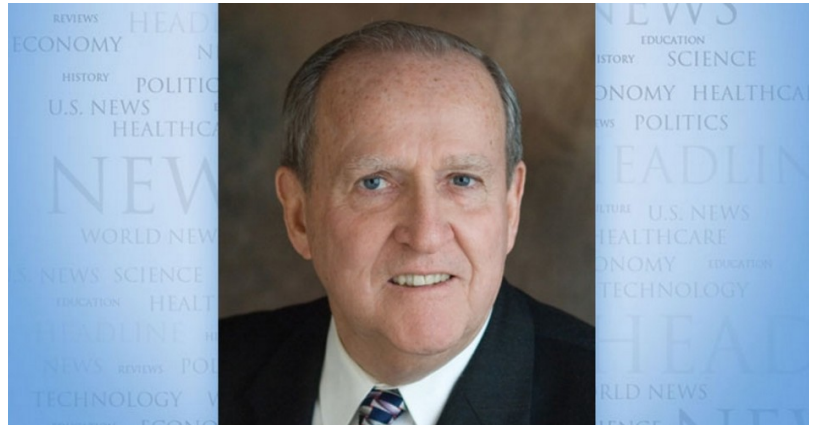


Written by [John F. McManus](#) on May 13, 2016

National Debt Shouldn't Be Ignored

We hear a lot about the National Debt. But we hear very little about addressing the threat it poses. So, let's take a hard look at Uncle Sam's profligacy. While doing so, think of the children of today who will have to bear the burden of national indebtedness — the mortgaging of their future that they had no part in creating.

As of May 5, 2016, the admitted national debt is \$19.176 trillion. The estimated U.S. population is 323 million. This means that the share of debt for every citizen in our nation (man, woman, and child) is \$59,388. And the national debt increases by approximately \$2.37 billion every day.



These figures address only the admitted national debt. The federal government also has unfunded liabilities not shown in the above figures. These include promises to pay for Social Security and Medicare and other government programs that must be funded with borrowed money. These add at least another \$100 trillion to the already staggering debt total. Some estimates place that figure as high as \$200 trillion.

Expectations given by competent analysts predict that the national debt will rise to \$25 trillion by the end of the current decade. In other words, those who manage America's affairs (the president and the Congress) are knowingly steering the ship of state toward catastrophic shipwreck.

Annual interest on the money borrowed to keep the government functioning has risen to approximately \$242 billion. But the largest yearly federal expenditures, "the big three," are Medicare-Medicaid (\$1 trillion), Social Security (\$898 billion), and Defense (\$586 billion). Numerous other smaller but still significant expenditures, many funding totally unconstitutional agencies and bureaus, add to the debt total. A large portion of the government's expenditures is considered on "auto pilot," meaning funding to those agencies can't be decreased.

Awareness of this situation doesn't stop Uncle Sam from maintaining a foreign-aid program. Ask a fourth grader, "If you're heavily in debt, should you give away money?" The ten-year-old would look at you quizzically and say, "No, you shouldn't." We would be better off if we allowed a ten-year-old's wisdom to prevail.

One question about the debt receives little attention: To whom does the U.S. government pay interest on its indebtedness? The answer is everyone who holds government securities. Leading possessors of these securities (bonds) are China (\$1.252 trillion), Japan (\$1.133 trillion), and lesser but still large amounts are held by Belgium, Ireland, Brazil, the United Kingdom, Switzerland, and Taiwan. Our nation has been placed in a situation where China, Japan, or some other countries could dump their holdings, even knowingly take a loss in the process, but also knowing that they have impacted America's credit rating and lowered the value of the dollar. A sudden drop in the dollar's worth (it drops slowly all the



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time as more money is created by the Federal Reserve) would certainly affect every person within our borders.

Despite what everyone knows about the national debt, deficit spending continues. U.S. Comptroller General Gene Dodaro [recently told the Senate Budget Committee](#) that the government will soon owe more than the entire U.S. economy produces. He also stated that several agencies of the federal government (e.g., Defense, Housing and Urban Development, and Agriculture) couldn't be audited either because their books are in disarray or they refuse to cooperate with the government's fiscal watchdog agency.

In short, the [fiscal condition of the United States is bleak](#) - and getting bleaker each year as government continues to borrow. Some may consider this a peculiar sort of wisdom. Realists consider it national suicide.

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