



Written by [Ralph R. Reiland](#) on November 29, 2011

The Not So Super Supercommittee

With the federal debt officially projected to grow by \$11 trillion over the next 10 years (and that's probably an optimistic undercount), a cut of \$1.2 trillion over the same period would simply result in the current \$15 trillion federal debt ballooning to \$25 trillion.

For the 54 percent of American households that still pay federal income taxes (the other 46 percent are exempt by way of lower incomes, personal exemptions, and the standard deduction), that \$25 trillion in debt averages out to roughly \$250,000 per household.



If things continue to fall apart and we end up with a 10 percent interest rate cost due to our excessive borrowing and declining credit worthiness, just the interest price on that \$25 trillion would average out to about \$25,000 per year for each taxpaying household.

And that \$25,000 per household in taxes for interest would be on top of the tax burden that already exists. At that point, we can all declare bankruptcy and shoot for a bailout.

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This year, Tax Freedom Day arrived on April 12, reported the Tax Foundation. That means 100 percent of the earnings of Americans, on average, for the first 101 days of the year, well over three months, was equal to the amount they'll pay in federal, state and local taxes.

That's more in taxes than Americans "spend on groceries, clothing and shelter combined," reported the Tax Foundation.

And that tax tab excludes this year's deficit, the money we'll owe in one way or another, either via higher taxes in upcoming years or by way of devalued currency and price increases if the central planners choose to overinflate the money supply in order to diminish the weight of the debt.

In other words, only taxes that will be actually collected in 2011 are counted in the aforementioned April 12 Tax Freedom Day tally, and the federal government is currently spending nearly twice as much as it collects in taxes.

"We borrow 42 cents of every dollar Washington spends today and about half of that comes from countries like China," warned House Budget Committee Chairman Paul Ryan in a July 6 interview.

With China now America's top foreign debt owner, here's how the money flow works.

Step 1: In one-party China, the Communist Party runs the show — and will forever, according to Li Zhongjie, a deputy head of the party's History Research Center.

"Many countries in the world are extremely envious," Li recently proclaimed, justifying the party's long-running monopoly status. "So why can't we carry on? It's a very simple question."



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And there's a very simple answer to Li's very simple question. Answer it correctly, praising the goodness and efficiency of Communist Party rule, or you might well get mowed down by a tank.

The party's History Research Center doesn't spend a lot of time on the ghastly details of how some 65 million Chinese were eradicated by way of terror, torture, famine, and massacres in order to smooth the path to an egalitarian utopia.

Step 2: The next part of the money flow is cheap Chinese labor and cheap imported Chinese blouses at Wal-Mart and cheap Chinese plywood at Home Depot. We load up our shopping carts with blinking reindeer and a plastic Baby Jesus and the Chinese get the money to loan back to us or to fund the additions to their arsenal of nuclear warheads.

Step 3: The money flow intensifies as U.S. factories close, real wages of American workers decline, and crazed shoppers grab their pepper spray and rush off to fight for the cheapest Chinese version of a blinking Jesus.

As the aforementioned Li explained, it's "very simple."

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