



Written by [R. Cort Kirkwood](#) on August 4, 2011

## Report: U.S. Spends 60 Percent Of Debt-Ceiling Increase In One Day

Hours after Congress voted to raise the debt ceiling, the national debt rose enough to consume 60 percent of \$400 billion allowed. According to the Washington Times, spending shot up \$239 billion on Tuesday, the largest one-day increase in American history.

Other debt news includes this heartening tidbit: Thanks to the big jump, the national debt may well exceed the gross domestic product.

### What Happened

After Congress and the President plunged the nation further into fiscal chaos by raising the debt ceiling, the government began a one-day spending binge.

### [Reports the Times:](#)

[T]he debt subject to the statutory limit shot way past the old cap of \$14.294 trillion to hit \$14.532 trillion on Tuesday, according to the latest Treasury Department figures, which are released on the next business day.

That increase puts the government already remarkably close to the new debt limit of \$14.694, which means one day's new borrowing ate up 60 percent of the \$400 billion in space Congress granted the president this week.

A piddling \$400 billion, the increase in the debt ceiling, is hardly enough to satisfy the appetite of the big spenders in Washington. Congress spent nearly \$240 billion, a whopping 60 percent, in a matter of hours. That figure eclipsed the previous record, [the Times reported](#). On June 30, 2009, Congress had helped Obama flush \$186 billion down the toilet.

### New Debt Record

Tuesday's massive increase also [put the national debt](#) above 100 percent of GDP. The new national debt of \$14.53 trillion elbowed past the nation's \$14.3 trillion economy. The [U.S. Debt Clock \(pictured above\)](#) puts the U.S. economy at \$14.8 trillion, which would mean the national debt doesn't quite exceed GDP.

Either way, the spending splurge put the American people deeper in the hole and faster on the way to debt, exceeding even the fevered speculation of apocalyptic conservatives. Consider what the Congressional Budget Office believes just the public part of the national debt will be by 2020.

The national debt comprises two parts: the public debt and the intragovernmental debt. As [The New American explained](#) in March, federal debt held by the public is that debt, according to the Government





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Accounting Office, "held by all investors outside of the federal government, including individuals, corporations, state or local governments, the Federal Reserve banking system, and foreign governments." The intragovernmental debt is that held in government accounts, such as Social Security and Medicare.

The public debt is \$9.908 trillion, [the Times reports](#). The intragovernmental debt is \$4.673 trillion.

That public debt, *The New American reported*, will reach \$20 trillion by 2020. Reported CBO:

In 2012, the deficit under the President's budget would decline to \$1.2 trillion, or 7.4 percent of GDP, CBO estimates. That shortfall is \$83 billion greater than the deficit that CBO projects for 2012 in its current baseline. Deficits in succeeding years under the President's proposals would be smaller than the deficit in 2012, although they would still add significantly to federal debt. The deficit would shrink to 4.1 percent of GDP by 2015 but widen in later years, reaching 4.9 percent of GDP in 2021.

In all, deficits would total \$9.5 trillion between 2012 and 2021 under the President's budget (or 4.8 percent of total GDP projected for that period) — \$2.7 trillion more than the cumulative deficit in CBO's baseline. Federal debt held by the public would double under the President's budget, growing from \$10.4 trillion (69 percent of GDP) at the end of 2011 to \$20.8 trillion (87 percent of GDP) at the end of 2021.

### **Obama The Record-Setter**

Aside from holding the 1st- and 2nd-place records for single-day increases in the national debt, the Obama administration holds others records as well, *The New American* reported in February.

The [Obama administration](#) broke the monthly record for the budget deficit. Expenditures exceeded revenues by \$223 billion. That same month, the government added \$63.7 billion to the national debt.

As well, *The New American reported*, quoting [CNSNews.com](#), such is this administration's profligacy that it increased the average debt per American household by \$30,000 in its first two years of control of the purse strings. Debt per household is now more than \$125,000.

Citing The Economic Collapse website, *The New American* [has also reported](#) that the national debt cannot be paid off because it exceeds the value of all assets in the United States.

Beyond the \$14.5 trillion national debt, American taxpayers face even more trouble as the nation's population ages. [According to](#) the debt clock, the United States must reckon a way to pay for nearly \$115 trillion in unfunded liabilities. That liability for Social Security is \$15.2 trillion; for the prescription drug benefit, \$20 trillion. The unfunded liability for Medicare is \$79.7 trillion.

That is more than \$1 million per taxpayer. The debt clock puts the per capita debt at \$46,719. Per taxpayer, the debt is \$130,262.

Another \$500 billion increase in the debt ceiling is due in the fall.



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