Written by **Veronika Kyrylenko** on August 27, 2026

Trump Pushes for Another $5 Trillion Debt-ceiling Increase

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Washington has a disastrous debt problem. And yet, President Donald Trump wants more room to borrow.

According to *The Hill*, Trump is pushing to extend the federal debt ceiling through the end of his presidency. That would require roughly another $5 trillion in borrowing authority.

The contrast with his old promises is striking.

When running for president in 2016, Trump said he could wipe out the entire $19 trillion national debt within eight years. Instead, the debt grew by more than $8 trillion during his first term. Joe Biden added another $9.2 trillion. Since Trump returned to the White House in January 2025, another $3.8 trillion has piled on. This month, the national debt crossed $40 trillion.

The warning lights are flashing. The 30-year Treasury yield has climbed to its highest level since 2007 as investors demand more compensation to hold America's mounting debt. Federal interest costs now exceed $1 trillion a year, consuming more than Medicare and trailing only Social Security among major federal expenditures.

If Trump gets the increase, it could spare Republicans an ugly debt-ceiling fight during his presidency. But it would also deepen the debt crisis for the taxpayers, businesses, and future generations left to finance it, while putting even greater pressure on the state to find increasingly painful — and disturbing — ways to balance the books.

First Calls

Trump first publicly demanded a debt-ceiling increase on December 18, 2024, more than a month before returning to the White House.

Trump and Vice President-elect JD Vance urged Congress to attach an increase to legislation needed to keep the government open:

> Increasing the debt ceiling is not great but we'd rather do it on Biden's watch. If Democrats won't cooperate on the debt ceiling now, what makes anyone think they would do it in June during our administration?

The president-elect then made the political concern even clearer.

He called the looming vote a "nasty TRAP" set by Democrats and accused them of trying "to embarrass us in June when it comes up for a Vote." He also pledged,

> Unless the Democrats terminate or substantially extend Debt Ceiling now, I will fight 'till the end.

The timing was not solely a Democratic creation. The bipartisan 2023 Fiscal Responsibility Act suspended the ceiling through January 1, 2025.

Congress did not give him what he wanted then. But it soon gave him plenty.

On July 4, 2025, Trump signed the so-called One Big Beautiful Bill Act (OBBB). It raised the statutory debt limit by $5 trillion, from $36.1 trillion to $41.1 trillion.

The same law worsened the longer-term fiscal picture. The Congressional Budget Office (CBO) estimated that it would add roughly $4.1 trillion to deficits through 2034 once added debt-service costs were included.

Washington had bought more borrowing room. It did not buy much time.

Back for Another Increase

Barely a year later, Trump was pushing toward the next increase.

On July 27, he demanded that Senate Majority Leader John Thune (R-S.D.) keep the Senate in Washington and pass several Republican priorities. Trump included what he called the "ever looming Debt Ceiling disaster."

Thune immediately signaled trouble. *The Washington Examiner* quoted him, "That would be a whole new front in the conversation, which I don't think anybody's really contemplated it yet."

By late August, the White House push had become more specific. *The Hill* reported on Wednesday,

> The president is quietly pushing Senate Majority Leader John Thune (R-S.D.) and House Speaker Mike Johnson (R-La.) to use a third budget reconciliation package to extend the debt limit through 2029.

That, reportedly, encompasses "a plan to raise the nation's borrowing authority by another $5 trillion."

The political logic is obvious. Republicans could lose control of the House in November. If they act during the lame-duck session, Trump could avoid negotiating with a Democratic House next year.

The fiscal logic is uglier.

The Bipartisan Policy Center reported in June that debt subject to the limit had already risen by $2.9 trillion since the 2025 increase. That consumed more than half of the OBBB's $5-trillion cushion in less than a year.

Raising the debt ceiling does not itself authorize new spending. It allows the Treasury to borrow enough to pay obligations Congress has already approved.

But that technical distinction can obscure the larger reality: Congress keeps approving policies that produce massive deficits. Then Washington treats the borrowing limit as the emergency.

The Bond Market Sends the Bill

For years, Washington could borrow extraordinary sums at low rates.

That era is over.

The 30-year Treasury yield reached 5.337 percent last week, its highest level since 2007. Investors have grown increasingly uneasy about inflation, enormous federal deficits, and the sheer volume of government debt coming to market.

The Congressional Budget Office (CBO) projected in February net federal interest costs of about $1 trillion in 2026. It expected them to more than double to $2.1 trillion by 2036.

The cycle is simple. Washington borrows to cover deficits. Investors demand interest. Higher interest costs widen future deficits. The government then borrows still more.

Treasury Secretary Scott Bessent responded to the recent bond market strain by doubling the size of certain long-term Treasury buybacks, from $2 billion to at least $4 billion per operation. The move initially pushed the 30-year yield down from its 19-year high.

The relief did not last. Yields resumed climbing as concerns over federal debt and deficits persisted.

In a widely quoted op-ed for the *Wall Street Journal*, billionaire investor and Bessent mentor Stanley Druckenmiller sharply criticized the intervention:

> You can't buy your way out of a solvency conversation with liquidity tools. You can only postpone the conversation and raise the eventual price.

He argued that the Treasury should address the primary deficit instead of trying to manage long-term borrowing costs.

In practical terms, the bond market is making Washington's debt problem more expensive for everyone. Higher Treasury yields push up mortgage rates, business borrowing costs, and other forms of credit. They also force the government to refinance maturing debt at higher rates, sending an ever-larger share of federal revenue toward interest instead of defense, infrastructure, Medicare, or tax relief.

That leaves Washington with increasingly unpleasant choices: borrow even more, raise taxes, cut spending, or some combination of all three.

The Darkest Way to Balance the Books

Financial analyst and former Housing and Urban Development official Catherine Austin Fitts argues that Washington has effectively found another, far darker way to ease its long-term obligations: lower life expectancy.

In her interviews, Fitts contends that if the government will not fully fund Social Security, Medicare, and other retirement promises, the arithmetic leaves only a handful of alternatives. The government can raise the retirement age, reduce benefits, erode their value through inflation, or have beneficiaries collect them for fewer years.

She goes much further. Drawing on her work tracing the $21 trillion in unaccounted federal spending, Fitts argues that declining U.S. life expectancy reflects deliberate policy by an elite class that, in her words, has "given up on the country." She points to government actions during Covid, the elevation of glyphosate to national-defense status, the worsening of the food supply, and geoengineering programs as part of that broader argument.

Considering these observations and a broader depopulation agenda of the elites, and as the government shows no appetite for restraining its borrowing, a sickening question arises: Should Americans expect more policies and interventions that could shorten their lives and thus ease the debt burden?