



Trump's Plan to Pay Off Debt

Last week Donald Trump told the *Washington Post* that he would eliminate the \$19 trillion national debt “over a period of eight years.” When some economists said that was impossible, Barry Bennett, a senior advisor to the Trump campaign, said President Trump would sell off federal lands and oil reserves to bring America back into the black.



Early this week Bennett told MSNBC's Chris Jansing, “The United States government owns more real estate than anybody else, more land than anybody else, more energy than anybody else,” adding, “We can get rid of government buildings we're not using, we can extract the energy from government lands, we can do all kinds of things to extract value from the assets that we hold.” When it was pointed out to Bennett that the total of federal assets are valued at \$3.2 trillion — far short of what it would take to pay off the debt — Bennett said, “Oh, my goodness! Do you know how much land we have? You know how much oil is off shore? And in government lands? Easily.”

Well, maybe not so easily.

The \$3.2 trillion in assets does not include stewardship assets or natural resources. If those were included in the rummage sale, it may be possible to pay off the debt, but that does not exactly settle the issue. There are some important points that need to be addressed — and some important questions that need to be asked and answered — before America puts up the “for sale” signs.

First, what about those “federal lands” that would be sold off? As *The New American's* William F. Jasper points out in his excellent article [“Feds vs. the West”](#):

The Founding Fathers never intended that the federal government would permanently own and control these vast expanses of land in the new territories that would be admitted into the Union. In fact, at the time our nation was being formed, several of the original 13 eastern states (the former colonies) had laid claim to lands to the west. Those states without Western claims knew they would be disadvantaged and argued that the Western lands should be transferred to the federal government for temporary custody, until they could be “disposed” of to settlers, and, later, to what would become states, as the territories were admitted as sovereign states.

Virginia's Act of Cession of 1784, which became a model for others, stipulated that the ceded lands



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would be disposed of for revenue for the United States and the creation of new member states, “and shall be faithfully and bona fide disposed of for that purpose, and for no other use or purpose whatsoever.”

And just what are “these vast expanses of land” the federal government lays claim to? Jasper lists the percentage of Western states the FedGov claims ownership over:

- Nevada: 84.5 percent
- Alaska: 69.1 percent
- Utah: 57.4 percent
- Oregon: 53.1 percent
- Idaho: 50.2 percent
- Arizona: 48.1 percent
- California: 45.3 percent
- Wyoming: 42.4 percent
- New Mexico: 41.8 percent
- Colorado: 36.6 percent
- Washington: 30.3 percent
- Montana: 29.9 percent

Bennett is correct in saying that the federal government “owns more real estate than anybody else, more land than anybody else.” But, since — as Jasper correctly noted — “The Founding Fathers never intended that the federal government would permanently own and control these vast expanses of land,” they should be ceded to the states, not sold to pay off debts that the U.S. government has incurred by living beyond both its means and its authority.

Another issue is that paying off the debt is one thing; staying out of debt is something else altogether. Unless the federal government is required to limit federal spending to only those areas enumerated as federal powers in the Constitution, the likelihood of staying out of debt is exactly zero. It has been noted by many constitutionalists that the federal government has the constitutional authority to do only about five to 10 percent of the activities that it currently does. That means that if it were to cut out all of its programs, departments, etc. which are not authorized by the Constitution, the U.S. government would be about five to 10 percent the size it is now. Ditto the budget.

Before Bennett’s comments about holding a national bankruptcy sale, the *Washington Post* [pointed out](#).

Most economists would consider this impossible because it could require taking more than \$2 trillion a year out of the annual \$4 trillion budget to pay off holders of the debt.

So if federal spending was cut in half, the debt could be paid off in eight years. How long would it take if the budget was reduced by 90 to 95 percent? A lot less than eight years, with the added benefit of having a smaller, more limited federal government attending only to those powers specifically enumerated in the Constitution. And no selling off of American assets.

The last — and perhaps most important — point that needs to be addressed before Trump or anyone else puts a \$16 trillion price tag on all those “federally owned” lands and oil reserves: Just who would be doing all the buying when America is doing all that selling? If the current trend holds true, it may well be China. After all, a whole chunk of that debt is owed to Beijing, and [China is already buying up American companies at an alarming rate](#).



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