

For What It Is Worth... Debt... What we now owe

By Keith S. Brown

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On 4 January 2006, about two and a half years ago, I published an essay on US debt. (see: <http://www.chairouchu.com/documents/For%20What%20It%20Is%20Worth.%20Debt.pdf>)

In it I stated:

“The current national debt is \$8,202,871,890,681 [or approximately 8.2 Trillion dollars]. Assuming the population of the USA is 298 million people, this works out to about \$27,500 per person. The national debt in December of '03 surpassed 7 Trillion dollars. (Data from the US National Debt Clock as of 4 Jan '06 @ 03:58 AM GMT http://www.brillig.com/debt_clock/)”

Unfortunately, I've discovered that I've been gratuitously optimistic.

On 10 July 2008, in preparation for a conversation with US Representative Nick Lampson, I estimated the per capital US debt at \$31,175 (debt of \$9.5T, US population of 304.7M).

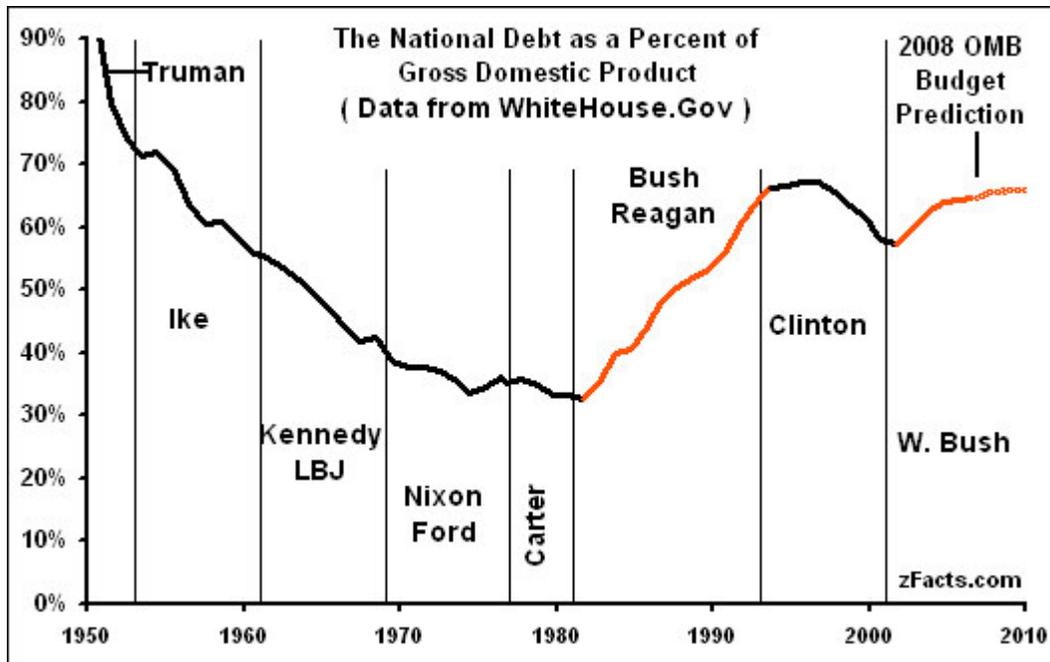


chart from: <http://zfacts.com/p/318.html>

By comparison, the annual US GDP (Gross Domestic Product) is about \$14T per year... and the expected 2009 debt increase is about \$500,000,000,000

However, both per capita numbers outrageously and laughably underestimate the actual debt as neither includes almost \$100 Trillion of unfunded long-term entitlement debt.

Thus if you add the current US debt of \$9.6T to the unfunded entitlement debt of \$99.2T the total is \$108.8 T... or nearly 109 thousand billion dollars.

For What It Is Worth

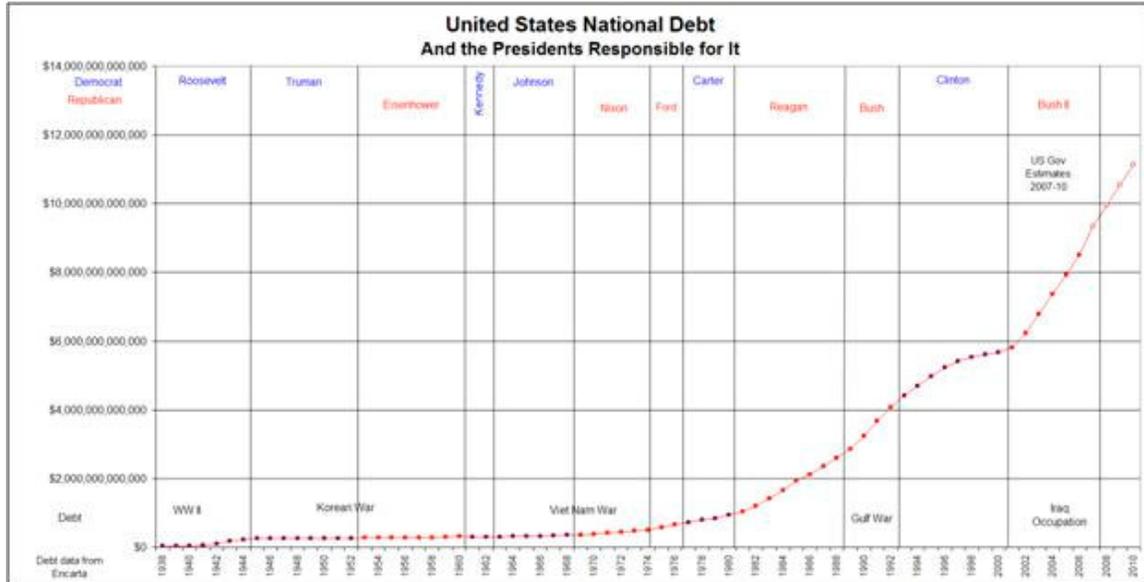


chart from: <http://www.cedarcomm.com/~stevelm1/usdebt.htm>

That is:

- \$108,800,000,000,000
- Or a stack of dollar bills 7,383,838 miles high...
- Or 31 stacks of dollar bills that reach from the surface of the Earth to the surface of the Moon.

If the 31 stacks were oriented correctly, we would have a roadway more than 15 feet wide connecting the two and (ignoring a few physical and engineering details) a Saturn V would not be necessary for lunar travel, you could drive there.

Divide the total debt by the current US population of 304,919,426, and each individual's share is \$365,815... more than 10 times my best estimate two months ago.

The portion of that debt for a family of 4 is just under \$1.5 million.

As grandpa said,

"An unsustainable trend cannot continue."

So folks, we have a bit of a problem. Total US Federal debt is about 8 times the GDP and we are doing nothing to reduce it.

As the captain of the Titanic might have cautioned me,

"No matter how great and destructive your problems seem now, remember you've probably only seen the tip of them."

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