



Why American Economic Sustainability Depends on A Balanced Budget Amendment

The National Debt Has Become a Staggering Burden

The United States is more than [\\$21 trillion](#) in debt. That amounts to more than \$174,000 per American taxpayer. Further, projections indicate that our federal government plans to increase national liability by another \$11 trillion over the next ten years. Looking forward, we can also anticipate another \$100 trillion in future unfunded liabilities. These include interest on the national debt, pensions for federal employees and the costs of Social Security, Medicare and Medicaid. That represents nearly [\\$1 million in liability](#) for each household in America.

America's National Credit is at Risk

In December of 2017, there were only eleven countries in the world with higher [debt to GDP](#) ratios than America's 105.4%. Among G20 nations, there were only two. Attempting to deal with the debt by printing money will risk hyperinflation like that suffered in [Germany](#) after World War I. National default will produce the chaos similar to that recently witnessed in [Greece](#).

Rising Interest Rates Threaten a Cycle of Increasing Debt

With the Federal Reserve taking a more aggressive stance on raising interest rates in 2018, borrowing is becoming [increasingly expensive](#). And given the recent tax cuts and the 1.3 trillion-dollar spending bill, the United States is projected to borrow over a trillion dollars, [yearly](#), by 2019. The additional debt will be financed through increased treasury sales, at yields high enough to attract new investment in an already saturated debt-market. This will push interest rates up further, requiring more borrowing to finance a debt expanding beyond control.

Debt Levels Threaten National Security

America's weakened economic position is reducing our global standing and limiting our ability to maintain a strong military. According to former chairman of the Joint Chiefs of Staff, [Admiral Mike Mullen](#), "...the single, biggest threat to our national security is our debt." U.S. Senator [David Perdue](#) described the situation this way: "Today we have the [smallest Army since World War II](#), the [smallest Navy](#) since World War I, and the [smallest](#) and [oldest Air Force](#) ever."

America's Entitlement Programs are at Risk of Insolvency

According to the 2018 [Report](#) of the Board of Trustees of the Federal Old-Age and Survivors Insurance and Federal Disability Insurance Trust Fund, Social Security costs will surpass total income this year. Trustees project that the Fund's deficits will be met through interest and non-interest income and trust fund asset reserves through 2034, after which Social Security will become insolvent. A balanced budget amendment could create constitutional protections for the benefits Americans have earned, and the programs that sustain our country's most vulnerable citizens.

A Balanced Budget Amendment Could Restore a Sustainable Economic Future in America

The U.S. Congress has not been able to impose meaningful spending limits through legislative action. Whether leadership was Republican or Democratic, the [national debt](#) has continued to grow for sixty consecutive years. The Swiss, by contrast, constitutionally adopted a fiscal limit they call the "[Debt Brake](#)" in 2001, which slowed total spending growth by about 2% per year. Subsequently, Switzerland has begun paying down its national debt, it enjoys the lowest borrowing cost of any country in the world, and its citizens enjoy the highest GDP per capita of the world's 100 largest countries. In 2010, the [Congressional Budget Office](#) projected that over seventy-five years, the implementation of similar fiscal rules in the U.S. would result in the quadrupling of real potential gross national product per person (from \$40,000 to over \$160,000), the preserving of reformed entitlement programs for future generations, and the elimination of America's national debt.

Let Us Vote for a Balanced Budget Amendment Campaign

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