

Neither party can afford to tell the truth. And even if they wanted to, it can't be done in 15 and 30 second commercials.

It takes me 3 hours to present our financial condition and is why I wrote The Financial State of the Union.

I'll do my best to summarize this info into a "short" post so that you can make a more informed decision in upcoming elections.

We're broke, actually beyond broke and it's not just us – the world at last report is \$247 trillion in debt. Over \$70 trillion of that is the public and private debt of the United States.

That doesn't count the unfunded liabilities of Social Security, Medicare, and public and private pension plans – that's well over \$200 trillion that we need to invest right now in order to pay what's been promised. We need over \$300 trillion to pay our debt and promises in full.

We only have a money supply of \$14 trillion. Even if we confiscated all the money in the world, we'd have just over \$86 trillion. Our problem is more than 20 times the cash we have and 3.5 times all the money in the world.

In the near future Social Security, Medicare, and pension plans will have to be cut – that's not an opinion, that's not prophecy, that's math.

But can't we confiscate money from the wealthy to fix things?

Amazon CEO Jeff Bezos has a net worth of about \$145 billion, mostly in Amazon stock. But we can't use Amazon stock to directly buy things or pay debt. The first problem is who would buy the Amazon stock? Even if we had a magic lamp and have the genie convert the stock into cash - what would that allow us to do?

The Federal debt is at \$21.6 trillion and expected to rise a trillion a year. Applying the \$145 billion to the Federal debt would temporarily reduce it to \$21.5 trillion. And we can only confiscate everything Bezos has once.

But what if we gave it to the people of the United States instead of the government? Let's use our genie to magically distribute the \$145 billion to the nearly 329 million Americans. Everyone would get a whopping \$440 – feeling rich now?

There's been \$10s of trillions of new debt created since the 2008 crisis and we're reaching the point where more debt won't help.

The growth in Federal Debt and rising interest rates (which have been artificially kept at 5,000 year historic lows) means that we're less than 10 years away from the government owing more in interest every year than they collect in income taxes. Very painful cuts are going to have to be made.

Can you imagine a family whose taxes and debt service are more than what they earn? While that's really bad for the family, companies make allowances for bad debt and governments can place liens on property to mitigate their losses.

The problem is that as a nation we're nearing the point where taxes and debt service will be more than all income.

Using the Great Depression as a guide, it'll take 10 years to work through this reset and even then, we won't be able to afford those Social Security, Medicare, and pension promises. The best advice I can give is to raise as much of your own food as you can.

Once all that soaks in, the usual question is who's to blame.

Most of it falls directly on the Democrats.

We start during the Wilson administration with the passage of the Income Tax amendment and the Federal Reserve act. This laid the foundation.

During the Great Depression, FDR unconstitutionally confiscated America's gold money and revalued it. It was also during this time that the Ponzi scheme known as Social Security was passed (based on a socialist program created in France).

Then LBJ starting minting coins without silver and cancelled the Silver Certificates that were in circulation. It didn't take long for the real money (silver) to disappear from circulation. It was during this time frame that Medicare was enacted.

While Americans didn't have access to gold, it was used for international settlements until Nixon close the gold window in 1971. While he's the first Republican on the list, it wouldn't have mattered who was in office. The choice was close the gold window or go bankrupt. Had we had the reset then, it would've been painful, but we'd be over it by now. Instead the problem has been allowed to grow through the tricks of money backed by nothing - and lots and lots of debt.

The acceleration of debt started under Reagan. While the tax rate cuts caused the government to increase tax receipts, the Democrat congress spent much more that what was brought in and Reagan didn't veto those bills.

Since then it hasn't mattered which party controlled the purse with Republicans often growing the spending faster than the Democrats do.

When it come to the \$21.6 trillion in Federal debt, both parties share responsibility.

When it comes to the destruction in the value of the dollar, that falls to Democrats as mentioned in the Wilson, FDR, and LBJ administrations.

When it comes to the mountain of promises we can't fulfill, that also falls to the Democrats.

I could continue with other issues with both parties, but that gets to be rather subjective based on values. What's in this article is history and financial facts.

The Democrats have destroyed the financial future of our country. They want to add to the problem with "free" health care, "free" education, and any other promise keep their power.

Sadly, the Republicans are not the answer to the Democrats, they're just not quite as bad.

I was a Captain working in the basement of The Pentagon during the 2nd Reagan term. As an Air Force officer, I took the same oath that you see Congress critters and the President take - to uphold and defend the Constitution from all enemies, foreign and domestic.

From across the Potomac, I watched most in Congress violate their oath and were actually enemies of the Constitution themselves. Sadly, voters continually sent the guilty parties back to DC.

I've been disgusted with the Republican Party for over three decades. The only thing I find more disgusting are the Democrats.

Can the political situation be solved? Maybe in 2020 we'll see Republicans retire their oath breakers in the primary, but I won't hold my breath.

If only we could have a national discussion about our financial condition now, rather than waiting for when it can no longer be ignored.

What I really fear is like in the Great Depression, someone like FDR will come to power and finish destroying what's left of our Constitution.

The really ugly truth is Democrats have already destroyed our country – fiscally, financially, and morally. Given the sad state of Christianity over the last century, I don't see a base to build from.

While it's possible to be pleasantly surprised, the lessons of history, including the history in the Bible, does not bode well.

Unfortunately, it's human nature that most people will do nothing until the crisis happens.

I've been trying to educate Americans for years without luck. The general outcome is that liberals have such faith in government, they don't believe the government will allow things to get bad. While conservatives seem to understand the situation, the general attitude is that God will take care of them or they'll be raptured out before anything bad happens. Just last century, that didn't work for WW 1, the Great Depression, and WW 2, but why face reality when you can have denial?

I'm seeing more and more consensus of economists that the next recession will start in the next 12 to 24 months. The question is when will we realize that this time it's more than just a recession. While we consider the 1929 crash to be the start of the depression, it took a couple of years for things to get bad for the general public.

I believe the severe spending cuts will start during the administration of whoever wins the 2020 election. If they can pass \$2 trillion a year deficits, then that might get pushed to whoever wins in 2024. That is point at which the government will have to borrow money just to pay interest – if they can find any fools that will lend them money.

The reset will happen. What remains to be seen is who will be in charge during the tough times that follow. Will it be the Christophobes or those with at least some Christian values? It's your vote.

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