



Written by [R. Cort Kirkwood](#) on November 18, 2011

National Debt Runs Past \$15 Trillion

It's official. The U.S. federal debt has crossed another unbelievable line: \$15 trillion. The Treasury Department reported the news on Wednesday, and various sources are reporting different figures for the level of debt person and per family. But the discrepancies between those figures are a distinction without a difference. The United States of America is drowning in debt. And it may never recover.



The Numbers

The national debt is the sum of the debt held by the public plus the so-called intragovernmental debt. The latter is that debt held by federal trust funds, such as Social Security, when the government borrows from those trust funds. [Those figures are](#) \$10.3 trillion and \$4.7 trillion.

Terence P. Jeffrey, a veteran budget reporter and columnist for CNSNews.com, [reported that](#) the new debt per family, based on the Census Bureau's estimate of just more than 76 million families in the United States, is \$197,579. Jeffrey calculates the debt per person worker in the private section at \$160,545.

Those figures drop just a little using numbers from the [U.S. Debt Clock](#). It reports that the debt per taxpayer is about \$133,373, while the debt per citizen is about \$48,000. It reports a debt per family of about \$182,000, based on an estimate of about 82.5 million families.

Either way, the government has crossed a line many though unfathomable, particularly recalling that the government reached \$14 trillion in January. That means the debt increased \$100 billion per month.

Other numbers are just as frightening; indeed, they are worse.

Unfunded Liabilities

Tops among those numbers are the the so-called [unfunded liabilities](#), or those bill that will come due in the future but which the government has no ability to pay.

The government's unfunded liabilities comprise [three key figures](#): Social Security, Prescription Drug and Medicare. Those figures are \$15.4 trillion, \$20.3 trillion and \$80.8 trillion, for a total of \$116.5 trillion. The liability per taxpayer is \$1 million.

Fed Owns Most Of The Debt

CNS's [Jeffrey also reported](#) another notable figured: The Federal Reserve now holds more U.S. government debt than China.

[Reported Jeffrey](#), "in its [latest monthly report](#), the Federal Reserve said that as of Sept. 28, it owned



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\$1.665 trillion in U.S. Treasury securities. That was more than double the \$812 billion in U.S. Treasury securities the Fed said it owned as of [Sept. 29, 2010](#)."

Meanwhile, as of the end of this September, entities in mainland China owned \$1.1483 trillion in U.S. Treasury securities, according to [data published today](#) by the U.S. Treasury Department. That was down slightly from the \$1.1519 trillion in U.S. Treasury securities the Chinese owned as of the end of September 2010, according to the [same Treasury Department report](#).

Thus, at the end of September 2010, the Chinese owned about \$339.9 billion more in U.S. Treasury securities than the Fed owned at that time. By the end of September 2011, the Fed owned about \$516.7 billion more in U.S. Treasury securities than the Chinese owned.

Record Setter Obama

When it comes to spending the United States into penury, President Obama has been nothing if not a record breaker. "Yes, we can" in the administration's motto when it comes to spending the taxpayers' money.

Among the milestones: it took a man of Obama's prodigious spending to reach are a one-day spending record. Just hours after Congress raised the debt limit yet another \$400 billion in August, [Obama and his pals in Congress spent](#) \$268 billion of the total, or 60 percent. The previous one-day record was also Obama's: \$186 billion.

Obama [holds the record](#) for the highest monthly deficit. In February, the federal deficit [was about](#) \$222.5 billion on revenues of \$110.7 billion against outlays of \$333.2 billion. He also set a record in February 2010, with a deficit of about \$221 billion on revenues of \$107.5 billion against outlays of \$328.4 billion.

The national debt, [Jeffrey reported](#), increased \$63.7 billion in February, and in its first two years, the administration increased the debt per family \$30,000.

Since, 2008, just before the American people stupidly elevated Obama to the highest office in the land, the [national debt stood](#) at \$10.5 trillion. The debt per family was about \$132,000 per family, using debt clock figures.

That means the national debt has increased about \$4.5 trillion since the election of Obama, who took office in Jan. 2009. The debt per family has increased \$50,000 per family.

Neither the president nor Congress has plans to put the country's fiscal house in order. In September, [they raised](#) the debt ceiling again, this time to \$15.19 trillion, in anticipation of Wednesday's grim news. They hope the new debt ceiling will permit them to keep spending with abandon through January.

Recovery Impossible?

Right now, the [national debt is](#) more than 100 percent of annual gross domestic product for 2010. The [country passed](#) that milestone in August. As *The New American* reported when the debt passed \$14 trillion in January, recovery may well be impossible.

In February, 2010, [The Economic Collapse explained why](#): "It is now mathematically impossible for the U.S. government to pay off the U.S. national debt."

You see, the truth is that the U.S. government now owes more dollars than actually exist. If the U.S. government went out today and took every single penny from every single American bank, business



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and taxpayer, they still would not be able to pay off the national debt. And if they did that, obviously American society would stop functioning because nobody would have any money to buy or sell anything.

And the U.S. government would still be massively in debt.

The government would remain indebted because all the money in the American economy does not really exist. Fractional reserve banking, [TEC explained](#), is why the money to pay off most of it does not exist.

When you go over to your local bank and deposit \$100, they do not keep your \$100 in the bank. Instead, they keep only a small fraction of your money there at the bank and they lend out the rest to someone else. Then, if that person deposits the money that was just borrowed at the same bank, that bank can loan out most of that money once again. In this way, the amount of “money” quickly gets multiplied. But in reality, only \$100 actually exists. The system works because we do not all run down to the bank and demand all of our money at the same time.

According to the New York Federal Reserve Bank, fractional reserve banking can be explained this way....

“If the reserve requirement is 10%, for example, a bank that receives a \$100 deposit may lend out \$90 of that deposit. If the borrower then writes a check to someone who deposits the \$90, the bank receiving that deposit can lend out \$81. As the process continues, the banking system can expand the initial deposit of \$100 into a maximum of \$1,000 of money ($\$100 + \$90 + \$81 + \$72.90 + \dots = \$1,000$).”

So much of the “money” out there today is basically made up out of thin air....

So if the U.S. government went out today and demanded every single dollar from all banks, businesses and individuals in the United States it would not be able to collect.

The long and short of the problem is this: The United States Government is flat broke.



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