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\$24.5 Trillion In US National Debt, \$144 Trillion In Unfunded Liabilities In... 2015


Submitted by [Tyler Durden](#) on 12/20/2010 13:31 -0400

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By now everyone has seen and played with the US debt clock via usdebtclock.org whereby anyone who so wishes, can find every little detail about America's current sad fiscal state. The fact that America currently has just under \$14 trillion in national debt should be no surprise to anyone who professes to having an even modest interest in the state of the US economy. Yet a new feature on the "debt clock", namely one which extrapolates future debt at current rates of advancement (instead of one based on the always completely inaccurate CBO estimates), and looks at US debt in the year 2015 will probably make many stop dead in their tracks. If anyone thought that \$14 trillion in 2010 debt is bad, **just wait until we hit \$24.5 trillion in total US national debt in 2015**. And it gets even more surreal: **total US unfunded liabilities are estimated at \$144 trillion, roughly \$1.2 million per taxpayer...** Was that a pin dropping?

As Zero Hedge has long been predicting, we anticipate roughly \$2 trillion in incremental debt per year. Surprisingly we are not far too off from where the "debt clock" sees US leverage in 5 years. At an estimated \$24.5 trillion in federal debt, our \$2 trillion per year run rate is spot on. Another thing that is spot on: our prediction that the US will need not one but two debt ceiling increases in 2011. And probably 6-8 over the next 5 years.

Some other observations for the US economy in 2015 simply assuming current conditions persist:

- Federal spending will be \$3.3 trillion per year, and with federal revenue of \$2.3 trillion (this number will be reduced as it also assumes \$731 billion in payroll tax, a number which will likely be indefinitely reduced) the result is a budget deficit of \$983.7 billion.
- Annual Medicare/Medicaid expenses will be just over \$1 trillion
- US population: 326.8 million
- US workforce 131.3 million (and declining)
- Officially unemployed: 19.4 million
- Actual unemployed: 22.3 million
- State/Federal employees: 17.9 million
- People on SSN and other retirees: 72.6 million

And the most critical data:

- **Food stamp recipients: 89.7 million**
- **Foreclosures: 2 million**
- **Social Security Liability: \$19 trillion**
- **Medicare Liability: \$99 trillion**
- **Total US Unfunded Liabilities: \$144 trillion**
- **Gross Debt to GDP: 143%**

Should one of the bolded predictions hit, the travails of Greek and Irish bondholders will be nothing compared to what those unlucky enough to be in possession of US debt in 2015 will have to go through.



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Max Hunter



Tic Toc Bitchez!

Mon, 12/20/2010 -

13:34 | 818790

Azannoth



Mon, 12/20/2010 -

13:53 | 818862

<http://www.stansberryresearch.com/pro/1011PSIENDVD/LPSILC71/PR>

Porter Stansberry on the 'comming' crisis 1h video

66Sexy



If we owe 1.2 million each, and are on the books as taxpayers (have filed returns), then we do not own our homes. We do not own our cars, nor our stocks. Anything that can be taken with the stroke of a lawyers pen or a bought off legislators whim, we do not own. They will take it from us in the event they have to. The only thing you can truly own is what you can hide, and what can be sold as a valuable commodity internationally.

Use your imagination on that one.

primefool



Truth . 12/20/2010
Strangely – it – 14:48 |
may turn out 819038

that the only thing
you truly own, is what you can hide , which is indeed your
imagination.

edwardscpa



Mon,
How 12/20/2010
much is – 15:57 |
that per 819267
taxpayer earning

over \$100K? Over \$250K? Because let's face it, folks with income under \$100K are going to need to concentrate on feeding themselves in the years to come.

hambone



Mon,
Let's 12/20/2010
say 5m – 21:22 |
households 819797

make in excess of \$250k annually (only about 2.5% of total households but lets be generous as many more have that income but wiggle out w/ loopholes).

Without further ado, another ridiculous number for ya:

5 million taxpayers * \$4.9 million = \$24.5T for a one time payoff of 2015 projected debt.

Probably will look a lot better if we include the \$100k "rich" crowd as well:

10 million taxpayers * \$2.45 million each (phewww, that looks a whole lot better).

BTW – @ \$2.45m, if it were a 30yr fixed debt at 0%, it would only be \$6805/mo per every 10 million taxpayers. Wouldn't do a thing about the unfunded liabilities but whatever.

What's that, say you don't want to pay it off and just finance it – now we're talking!!! That's \$12,500 per taxpayer annually just to pay interest (assuming 100m taxpayers and 5% financing cost...the average for the last 50yrs).

Lucius Cornelius Mon,
 I would 12/20/2010
rather - 16:12 |
have 819296
hard assets that
throw off cash. XOM, CVX, etc...

traderjoe Mon,
 12/20/2010
- 22:08 |
Owning a 819988
stock is not a
"hard" asset. It's a fraction of ownership of a
publicly traded company that is denominated in
dollars, typically held in "street name". Your
counter-parties are:
1. the company and its management;
2. the brokerage company that holds the shares
and SIPC that 'guarantees' the brokerage company;
3. the government and its taxation and regulatory
policies; and
4. the government and its estate taxation policies.
That's just the obvious, I'm sure that others can
think of other counter-parties. Not that owning
stocks is bad, but I personally don't consider them
'hard' assets.

Lucius Cornelius Tue, 12/21/2010
 If - 12:16 |
821007
 you own XOM then you own part of
their global oil reserves and one of the
best managed corporations with a rock solid
balance sheet. Furthermore, as an owner, you
are given a decent share in the profits
(dividend). I wouldn't buy at current prices, but
it is definitely on my radar.
Stocks are a great investment with the proper
due diligence and at the right price. Personally,
I will buy stocks when the dividend yield on the
S&P 500 goes over 5%. No major bear market
has ever ended without it going over 6%. By
that measure, we are far from a bottom. I am
patient.

Hephasteus Mon,
 The 12/20/2010
stock - 22:59 |
market is 820053
unsecured
credit line to the corporations. They can wipe you
to NOTHING without any fear of retribution other
than making you not want to be an unsecured
creditor in the future. Calling it a hard asset is
tragedy.

Lucius Cornelius Tue, 12/21/2010
 - 12:17 |
821010
Not if you do proper due diligence and
buy ownership in the right businesses at the
right price.

FreedomGuy Mon,
 I just threw 12/20/2010
away a USA - 14:56 |
Today article from 819060
the early 2000's when
it was only about \$400k per person. Our absolute f*^@%
idiot legislators have sold us...our lives, our property and
indirectly our civil rights/liberties to pass out checks,
favors and socialist plumb. The truth is that we will NOT
pay that kind of debt and we cannot pay it outside of a
rapacious inflation rate. Personally, I have to believe that
most like the Fed, the Treasury and others in government
know this. There is no personal or political freedom when
your tax rate is 100% as it effectively is.

Roger O.

Mon,

Thornhill

12/20/2010



What will - 18:21 |
be really 819560
exciting

is when interest rates start cranking up on that debt!
Those burying us alive are not being properly
forthcoming of the disaster that will happen when rates
get out of control. Similarly it's the same way MBS's
were sold with the conceit that real estate prices never
go down. Ah, those "geniuses" with MBA's! They never
fail to amaze.

The real question is how far they can play this – I know
that they will play games all the way to the end. I would
not be surprised in some 11th hour financial power

play that lock world currencies together – who can say
what they will do. TPTB have shown they have no
respect for the rule of law, or the free market. I have
been shocked and surprised at what they have done so
far. I thought in 2008 that the adults would step up
and let this sort itself out, but the adults don't exist
anymore. What evil machinations they may think up
next may well be surprising – but know that they are
fully capable of an array of insane, deceitful
maneuvers.

Grimbalodus The ...

Mon,



The things 12/20/2010
you own, end - 15:06 |
up owning 819095
you.

Rainman

Mon,



...agree, 12/20/2010
unless - 18:46 |
you just 819612

let it all get
repo'd. The economic system now apparently runs on
good-til-cancelled.

Oh regional

Mon,

Indian

12/20/2010



And thus, - 22:10 |
in these 819989
times,

more than most, the practice of detachment...

<http://aadivaahan.wordpress.com/2010/10/14/the-practice-of-detachment/>

ORI

Things that go bump Mon,



That has always 12/20/2010
been the case, - 15:50 |

you know. All 819237

you have to do to
prove that is stop paying your property tax and see what
happens. Nothing has really changed. You don't really
own anything you can't hide and you never did. What you
purchase is the use of a thing. The State retains ownership
of all. I imagine they think they own your gold too, and will
thank you nicely for keeping it safe for them when they
want it back.

Grimbalodus The

Mon,

...



I've - 16:15 |
never, 819300
even

since I was a wee lad, held onto the ridiculous concept
of ownership of property. I don't get attached to
'things'. I've always been borderline chaotic anti-
materialism.. I couldn't even tell you why, just seemed
the right way to be...

The few things I do have, other than Family, I'm willing to part with without much fanfair.

'Stuff' can become a trap which can be hard to escape from, once well established. I choose not to let it get that bad.

Farcical Mon,
Aquati... 12/20/2010



Two - 23:05 |
820059

people junked these statements? Unreal.

Tue,
12/21/2010
- 08:14 |
820502

Grimbalodus The ...



It is what it is. I don't expect anyone to agree with me, just so long as they respect my POV.

minus dog

Mon,

You already 12/20/2010
don't own - 21:12 |
your home - 819909

at this point the government can seize it for pretty much any reason. Your only own your stocks as long as the government decides not to seize them or render them worthless.

They can take your car, too, (and without due process) by claiming that you might have used it for something illegal. It's up to you to shell out the cash to lawyer up and get it back - if you can, after a year or two of legal wrangling.

On the bright side, at least they have to catch your car before taking it...

bankrupt JPM bu...

Mon, 12/20/2010



You know what - 15:34 | 819183
would be cool? If stansburry put a goddamn pause button on an HOUR video. FUCK.

Azannoth

Mon,

Yes and the 12/20/2010
video was a - 15:45 |
bit self 819223
serving too I know

Dental Floss Tycoon

Mon,

If you click the 12/20/2010
text it will - 21:43 |
stop. Click 819949
again and it
continues.

About half way through I figured out I had been spammed.
Not that he is wrong just trying to make a buck.

Sudden Debt

Mon, 12/20/2010 -



Good thing is that 13:55 | 818870
this national debt
clock is made in FLASH

99.9% OF THE POPULATION WILL NEVER KNOW WHAT IT SAYS
BECAUSE OF THEIR IPADS!!!!

Millivanilli

Mon, 12/20/2010



Ipads are - 14:57 | 819068
notebook amputees. What a fuckin useless idea.
Though, I imagine if steve jobs shit, apple devotees
would smear it on their ipads as a screen saver.

- unununium** Mon,
 On the bright side, it's a better Kindle. 12/20/2010 - 19:16 | 819682
- DarkAgeAhead** Mon,
 I hate Kindle. The name, the thing, and the people that use it. 12/20/2010 - 22:30 | 820015
 Did I tell you how much I hate Kindle?
- andybev01** Tue,
 'Kindle' sounds too much like kindling, as in book burning. 12/21/2010 - 17:02 | 822081
- Janice** Mon, 12/20/2010
 I keep waiting for the Kotex marketing executives to come out with the new slogan, "Kotex, the original ipad."
- nate28jf** Mon,
 WikiLeaks...Butterfly doesn't. 12/20/2010 - 19:47 | 819760
http://www.sfgate.com/cgi-bin/blogs/sfmoms/detail?entry_id=79402
- blindfaith** Mon, 12/20/2010
 no 99.9 worn't know because there can't or don't read and don't want to. Merrily we sail along, Sara or someone else will save us all.

Slavery is knocking on the door, but they think the knock is for you... not them.

Isn't everyone glad about the no tax bill that got passed. Think of all the worthless dollars we can bury in the backyard to make the roses grow or use for padding for those boxes of goodies you sold on eBay for millions of worthless dollars, no sorry, Paypal points.
- DaveyJones** Mon, 12/20/2010 - 14:00 | 818887
 Math is a bitch bitchez
- midtowng** Mon, 12/20/2010
 Speaking of math, look at the liabilities line. Note how Medicare liabilities are **FIVE TIMES** as large as Social Security liabilities. Yet all we are talking about is Social Security, not Medicare. Why is that?
- Common_Cents22** Mon,
 debt isn't debt until they come repo your car and kick you out of your home! hehe 12/20/2010 - 15:16 | 819128
- blindfaith** Mon,
 if the US government cracked down on the 12/20/2010 - 19:19 | 819693

Medicare & Medicade Fraud in Florida the number would be 1/3 that. But what the hell, we don't want to take away anyone rice bowl.

Kurtieboy Mon, 12/20/2010 -



Why doesn't the government give \$1 million to each citizen right now and cut the bullshit? Economy would definatly improve...lol.

andybev01 Mon, 12/20/2010



...and the next morning you would wake up to \$50.00 latte's and \$100.00 Happy Meals.

sterling effort Mon,

..and the next morning you would wake up to \$50.00 latte's and \$100.00 Happy Meals.

Thats ok. Ill pay for them with my \$30,000 oz gold.

andybev01 Tue,



+1400 12/21/2010
- 17:03 |
822086

plocequi Mon, 12/20/2010 -



1.2 Million? I dont have the money. Now what? I will pray.

jahbless Mon, 12/20/2010 -



try sending them a picture of a spider instead.

Robert-Paulson Mon, 12/20/2010



- 15:52 | 819245

Bwahaha....Epic stuff on this link

<http://www.27bslash6.com/overdue.html>

blindman Mon,

this is a great link and analogous to the 12/20/2010 - 18:31 | 819582

taxpayer's obligation regarding the "national debt".

it is denominated in funny money or spider money already.

CPL Mon,



It's from 12/20/2010
- 18:42 |

[819605](http://www.dontevenreply.com)

www.dontevenreply.com

The guys blog is an endless stream of insane and funny dialogues. This is my favorite.

<http://www.dontevenreply.com/view.php?post=95>

The humane way to trap a cat...with a bear trap.

doggings Mon,



ah 12/20/2010
- 18:56 |

27bslash6.com - pure genius

Simone's bio charte with possibly the funniest thing on the

[SIMON'S PIE CHARTS](#), quite possibly the funniest thing on the whole internet.

Sudden Debt Mon, 12/20/2010 –
 SELL BODY PARTS!!! 13:39 | [818807](#)

plocequ1 Mon, 12/20/2010
 Gunnery SGT – 13:48 | [818837](#)
Hartman says i can give my heart to Jesus, But my ass belongs to the corp

Sudden Debt Mon,
 and your dick 12/20/2010
to your wife – 13:52 |
;) 818864

Mon,
12/20/2010
– 14:29 |
[818987](#)

DoChenRollingBearing
 You got that right! LOL

dearth vader Mon,
 Hard to 12/20/2010
keep – 19:01 |
straight in 819642
the face of such
numbers...

blindman Mon,
 12/20/2010
– 18:46 |
[819614](#)
<http://www.youtube.com/watch?v=hhkHG-oKCEU&feature=fvw>

archfool Mon, 12/20/2010 –
 Easy! According to 13:54 | [818868](#)
O(1), make the rich pay!

SumoPower Mon, 12/20/2010 –
 1.2 Million will be 13:54 | [818871](#)
change... Hyperinflation Bitchez!!

Popo Mon, 12/20/2010
 Unless of course – 15:13 | [819116](#)
any of the suckers... Er... Bond investors, rather... read this article and demand a higher interest rate. Which of course they should. Because who in their right mind would ever buy US debt ever again, knowing that it will never be paid off – or it will be paid with cheaper dollars....

Which of course, leads us to 30% interest rates, which in turn leads us to...

... Deflation bitches.

Lucius Cornelius... Mon,
 Exactly. 12/20/2010
Before – 16:01 |
hyperinflation, the 819278
pile of debt has to collapse. It will collapse when the bond market demands a risk premium that is bigger than the ability to keep rolling the T-Bills over. The politicians know they are completely dependent on low rates. The FED can only monetize so much before rates rise. Look how far they have already

gone since QE2. Deflation will win until the government can no longer service its debt.

Bam_Man Mon,
 *Deflation will win until the government can no longer service its debt* 12/20/2010
- 16:07 | 819293

And then it will win again after the default or hyperinflation because credit will be non-existent.

Don Birnam Mon, 12/20/2010 -
 America's fiscal future sleeps with the fishes. 13:59 | 818880

Tic tock Mon, 12/20/2010 -
 To be fair, that amount also included the cost to JPM on the loss incurred on supporting the Summers's plan wrt precious metals. 13:35 | 818795

Cognitive Dissonance Mon, 12/20/2010 -
 *And it gets even more surreal: total US Unfunded Liabilities are estimated at \$144 trillion, roughly \$1.2 million per taxpayer... Was that a pin dropping?* 13:37 | 818798

Piece of cake. Just let me sell a few ounces of Gold in 2015 to cover my portion of the bill. BTW how do you calculate the tip? :>

SheepDog-One Mon, 12/20/2010 -
 How about I just take their \$1.2 million dollar bill and rip it to shreds, throw it back in the govt's face and tell them to go fuck themselves. 13:40 | 818811

Widowmaker Mon, 12/20/2010
 duplicate - 21:15 | 819044

Sean7k Mon, 12/20/2010
 I agree. It's banker debt and banker assets- fuck 'em. Power flows from the barrel of a gun...bullets for pin strips baby... - 15:05 | 819090

FreedomGuy Mon, 12/20/2010
 That's what we will all effectively end up doing. The question is what the government will do to us when that happens. - 15:11 | 819112

tmosley Mon, 12/20/2010
 We won't get a physical bill. The bill will come in the form of rising prices. - 15:13 | 819117

It seems to me that the 1.2 million figure is probably pretty close to the income level that will be required for you not to see a degradation in your standard of living. Anyone above that sees their standard of living go up, anyone below sees it go down.

Of course, that figure will rise every year.

Sudden Debt Mon, 12/20/2010 -
 Marc Faber said it best today: DON'T BUY US PAPER! 13:44 | 818827

Second thing he said: democracy might not exist forever but capitalism will. Guess what he meant by that...

Don't own cash

Don't own government bonds

Buy commodities, real estate, land.

Banks will become are leaders.

Dr_Dazed Mon, 12/20/2010



Real estate? What – 15:55 | 819260
happens when they tax it up and you can't pay? Tax
lien, foreclosure, by-by investment. What is it about
"only things you can hide" that doesn't work for you?

Waterfallsparkles

Mon,

Put your
Property

12/20/2010

– 17:16 |

Taxes on a Credit
Card and then
default. That will buy you a year. Or Rent your Property
and let the Tenants pay the Property Taxes.

SheepDog-One

Mon,

Yea a
'property
purchase' in this
country is just

12/20/2010

– 18:44 |

another joke, even if your property is paid for entirely they
still demand tax on your land (serfdom) and if you cant or
refuse to pay they kick you off and seize your land.

hedgeless_horseman

Mon, 12/20/2010 –



I am pretty sure the folks 13:40 | 818803
behind the USDebtClock.org will be found to have had
unprotected sex in Scandinavia at some point in the past.

Sudden Debt

Mon, 12/20/2010 –



NO PAYPAL FOR
THEM ANYMORE!!!

13:45 | 818829

Turd Ferguson

Mon, 12/20/2010 –



+++++

13:54 | 818867

Ray1968

Mon, 12/20/2010 –



As Hugo Chavez 14:02 | 818900
says: must protect the people from criminals. The
USDebtClock, I'm sure, will be branded a terrorist web site
with the new Internet power grab.

Bam_Man

Mon, 12/20/2010



No, the CIA will
organize and fund a "black op" so that a group of Islamic
radicals can fly an airplane into it.

DaveyJones

Mon, 12/20/2010 –



is our debt
consensual?

14:48 | 819039

Ignatius J Reilly

Mon, 12/20/2010



Absolutely
hilarious.

– 14:56 | 819059

It's always consensual to one half of that transaction.

Oh regional Indian

Tue, 12/21/2010



Some people sure
find it sensuous.

– 00:47 | 820249

Lipstuck on a pig!

Else, why'd they keep buying it?

ORI

hambone Mon, 12/20/2010 -
 Thanks for the laugh! 15:31 | [819167](#)

Sudden Debt Mon, 12/20/2010 -

 The reason is in the mix 13:37 | [818804](#)
of originating nationalities.

Americans used to be:

Irish

Greek

Dutch

Frensh

English

...

NO WONDER THE US DEFICIT WILL RUN CRAZY!!

Logans_Run Mon, 12/20/2010 -

 I guess we don't have 13:44 | [818828](#)
too many Icelandics in the halls of power?

Azannoth Mon, 12/20/2010 -

 And you forgot all 15:49 | [819235](#)
the deadbeat East
Europeans

Sudden Debt Mon, 12/20/2010

 +1 :) - 17:24 | [819448](#)

I also forgot the Muslims but that's a problem that will blow
itself up :)

IQ 145 Mon, 12/20/2010 -

 Frensh? Is Frensh 19:16 | [819684](#)
what happens when Walloons try to speak French?

umop episdn Mon, 12/20/2010 -

 What can't be paid back 13:39 | [818808](#)
will not be paid back--especially since people really resent
having to pay someone else's debt. System reset via massive
inflation is inevitable in my humble opinion.

ATM Mon, 12/20/2010 -

 Isn't that "reset" 13:46 | [818833](#)
really a pay back since it will come from those who have
saved and those who have not could give a shit about inflation
since their saved assets are non-existent and the govt dole is
indexed to inflation or they'll just get some free govt cheese.

TexDenim Mon, 12/20/2010 -

 Using the figures above, 13:39 | [818809](#)
with 131 MM in the workforce and 73 MM on Social Security,
that means 1.81 workers for every retiree -- which means an
average of \$1000 per month of SS just to keep the retirees a current
rates, assuming no COLA or increase in the retiree population. The
math doesn't work. Forget Social Security.

SheepDog-One Mon, 12/20/2010 -

 None of the math 13:43 | [818824](#)
works...however a magical formula has been discovered by
central banksters! Its simple- Print and pump today, so we can live
to print and pump another day!

That now passes as total US economic policy.

Cursive Mon, 12/20/2010
 @SDO - 13:46 | 818841
 Who knew we would unwittingly be participating in the greatest Ponzi scheme ever?

SheepDog-One Mon,
 No doubt! 12/20/2010
 - 13:52 | 818861

Cognitive Dissonance Mon,
 12/20/2010
 Are we really surprised that it has come to this? There have been stories in the mainstream media for at least the past 25 years spelling out the runaway train SS and other entitlements, **along with deficit spending**, would become.

Each time they "fixed" social security, they really didn't fix it as long as Congress gave themselves the right to print and spend to fill any hole they created as well as appropriating the SS "Trust Fund". Then they added Medicare Part "D", another colossal sink hole.

The writing has been on the wall since I've been a money manger, meaning 25 years. And each time the leadership said they were going to deal with the mess, they didn't. Where were we during this slide into hell?

"Our" leadership isn't deposited on Earth by space aliens. They are "our" leadership. So what are we going to do about it?

macholate Mon,
 but what happens AFTER the boomers are dead, accelerated by Obamacare, of course?

If the size of the workforce stays relatively constant and 70M boomers begin dropping off medicare and SS and such "unfunded mandates" in large numbers beginning 2015, won't most of the projected debt simply not materialize?

Long-Awaited Baby Boomer Die-Off To Begin Soon, Experts Say

<http://www.theonion.com/articles/long-awaited-baby-boomer-dieoff-to-begin-soon-expert,647/>

dark pools of soros Mon,
 12/20/2010
 - 15:05 | 819097
 ssshhh! that's the free ticket retirement all us GenX'ers will be riding off in the sunset with... we'll sell it to the young as 'sustainable' (for us anyway)

Bob Mon,
 What it comes to for the SS Trust, which is a real legal entity that has \$2.5T in real Treasury Bonds on its balance sheet (no more insubstantial as IOU's than the ones Sovereigns such as China hold), I think people should set their emotions aside on this issue and put it into plain vanilla terms as the problem it really is: Will the Treasury default?

If the Treasury is going to default, the obvious question really is what bondholders are going to take their haircuts first and how deep are they going to cut?

If we can't structure the game better for continued benefit payments, then dissolve the trust and disperse the proceeds appropriately. Let us not pretend, however, that there would be no proceeds to distribute. \$2.5 T is a whole lotta money and it ain't

pretend.

There's no excuse, imo, for the prevailing swoon about the "pretend" existence of SS Trust assets as somehow more pretend than others.

Not saying default isn't a reasonable discussion--but it really should be put into a reasonable context. The SS Trust's bonds are as real as anybody else's.

Our predicament is really much the same as the Ireland *et al.*, it seems to me. But then I'm not dying to kill the public's investment in SS and get off on watching losers choke on their foolishness.

Bam_Man Mon,

 *The SS Trust's bonds are as real as anybody else's.* 12/20/2010 - 16:17 | 819310

True, and just as worthless too.

Bob Mon,

 But they get far 12/20/2010 - 16:23 | 819324

less respect from finance people . . . who, if you think about it, would be strongly predisposed to write them off in preference to all other bonds. Small wonder they are so delirious as they dance around the SS bonfire.

But that's just self-interest. Nothing wrong with that, but that doesn't make the discussion respectable without acknowledging the real situation in basic Finance 101 terms.

psychobilly Mon,

 *If we can't* 12/20/2010 - 21:49 | 819959

structure the game better for continued benefit payments, then dissolve the trust and disperse the proceeds appropriately. Let us not pretend, however, that there would be no proceeds to distribute. \$2.5 T is a whole lotta money and it ain't pretend.

The Treasury would have to turn around and issue more debt to come up with the proceeds to pay back the trust fund. That \$2.5 trillion is part of the gross federal debt that taxpayers are on the hook for.

Bob Tue,

 There's that spin 12/21/2010 - 04:01 | 820432

again. It's uncanny how public opinion is being herded here on this particular issue.

The politicos in Ireland are surely making the same case. The real question, to a knowledgeable finance guy, should be *who* does Treasury default on if it can't pay off its obligations.

This foregone conclusion that it will be the citizen-investor who eats it seems corrupt as hell to me. Watch how it spins from peoples' lips as a well-formed pearl of wisdom: *It's a con.*

Fascinating that so many have bought it . . . and so many more are promoting it.

SmittyinLA

Mon, 12/20/2010 -



You forget, govt drones dont pay SS taxes (yet) in spite of it being "just a tax". 14:00 | 818885

Nice juggs

RKDS Mon, 12/20/2010
 Yes they do. - 14:41 | [819022](#)

oddjob Mon,
 Any taxes 12/20/2010
government - 20:33 |
workers pay [819848](#)
is just funny money squared.

velobabe Mon, 12/20/2010
 why do they call - 18:28 | [819579](#)
woman's breasts, J U G s?

StychoKiller Mon,
 I calls 'em 12/20/2010
Daddy's - 19:38 |
play-toys! [819739](#)

Strider52 Mon, 12/20/2010 -
 "Using the figures 14:29 | [818979](#)
above..." That's pretty funny, considering Tex's avatar is
just above that line.
I'd like to use the figures above Tex's avatar – which, I noticed,
got cropped recently – she had a pretty face too.

StychoKiller Mon, 12/20/2010
 Google up - 19:42 | [819749](#)
"Karina Hart" or "Danni Ashe" -- every bit as sexy as
Denise Milani (or whatever), and willing to show ya everything!

Fearless Rick Mon, 12/20/2010
 Hey, I know those - 19:57 | [819778](#)
knobs! Cynthia Myers, Playboy playmate December
1968. According to some, the greatest centerfold ever.
Ms. Myers starred in some Russ Meyer flicks, like "Beyond the
Valley of the Dolls" and a few others.

Cursive Mon, 12/20/2010 -
 Default/Restructure. 13:40 | [818812](#)

Shameful Mon, 12/20/2010 -
 1.2 million per 13:40 | [818814](#)
taxpayer...no problem. They should be able to make that over
their natural lives, just need a 100% tax rate and put in a little OT.

Sudden Debt Mon, 12/20/2010 -
 I think they'll let you 13:47 | [818842](#)
have 0,1% so you'll be able to buy a bowl of rice every 2
days.

SheepDog-One Mon, 12/20/2010 -
 But...but...economy 13:40 | [818817](#)
recovered! Can I get a 'Hooray?'

Sudden Debt Mon, 12/20/2010 -
 MORE BLUE PILLS 13:48 | [818848](#)
PLEASE!!!

StychoKiller



Boo-yah for SD-1!

Mon, 12/20/2010 -

19:43 | [819750](#)

Amish Hacker



You think 6-8 debt ceiling

- 13:41 | [818822](#)

increases over the next 5 years spell disaster? Wait till you see what happens when congress *fails* to raise the debt ceiling.

SheepDog-One



Mon, 12/20/2010 -

13:44 | [818830](#)

Yea, who even thinks the debt ceiling increase in Jan is some surefire in-the-bag deal?? I dont.

ATTILA THE WIMP



Mon, 12/20/2010

- 14:36 | [819000](#)

SD1, That's the first thing you ever said that I thought was whacko.

Me XMan



Mon, 12/20/2010 -

13:46 | [818834](#)

HAHAHA! Congress will always raise the debt ceiling.

Sudden Debt



Mon, 12/20/2010

- 13:49 | [818853](#)

you may put always in capital, fat and underline.



SheepDog-One



Mon, 12/20/2010

- 13:51 | [818858](#)

Congress will 'ALWAYS' raise the debt ceiling by a couple trillion? Thats just ignorant.

Popo



Mon,

12/20/2010

The power of debt markets - 15:45 |

is so poorly understood...

Dr. No



Mon, 12/20/2010

- 13:56 | [818876](#)

One thing for sure, the debt ceiling will be used for political leverage. Both party leaders want the ceiling raised rather than cut spending. But with the election results, the Repubs have an opportunity to use a debt ceiling increase to their advantage. There will be bluffs, deals, pandering to get it passed. Boehner is old school GOP and wants the debt ceiling increased as much as dems; but he will leverage it for as much as he can.

Shameful



Mon,

12/20/2010

So the ceiling increase will go with more money

- 13:59 |

to the military to kill people around the world. Smooth. It's a good idea to piss off as many people as possible before we had a debt implosion, wouldn't want friends in the moments after the collapse.

Amish Hacker



Mon,

12/20/2010

This is the key point. The debt ceiling *will* be

- 14:48 |

raised (it has to be), but not until the politicos have postured and ranted and waved their arms about. Accusations will be made, blame will be hurled, straw men will be set up and knocked down, and the end result will be another huge waste of time.

Really, none of it would matter, except that time is the most serious shortage we face.

StychoKiller	Mon,
	Darn it!
	And I was
so looking forward to gridlock Kabuki!	12/20/2010 - 19:44 819753

UninterestedObserver Mon, 12/20/2010
 No shit next he'll – 21:46 | [819951](#)
be saying Congress is going to give themselves pay cuts and reduce their benefits and then cut their expense budgets too.

trav7777 Mon, 12/20/2010 –
 nothing will happen. 17:54 | 819511
Anymore than not having a budget this year or Belgium not even having a government.
As long as the people shrug and take it, nothing matters

johnnymustardseed Mon, 12/20/2010 -
 The guy who sells the 13:43 | 818823
government ink for printing dollars is laughing!

SheepDog-One Mon, 12/20/2010 -
 Funny part is, they 13:46 | 818838
don't even have to buy ink or paper for this daily 'printing'
at 0%, they just add some more decimal points on a screen.

The Navigator	Mon, 12/20/2010
 Then the answer	- 15:01 819076

FreedomGuy	Mon,
 Could we start a pool on when we cross a quadrillion? I think it would have been fun to do back in the early 80's or when we'd cross trillions in debt on an annual basis.	12/20/2010 - 15:16 819127

iDealMeat	Mon,
 +1 I bet we'll start seeing calculators with a 000 button on them.	12/20/2010 - 15:21 819139

VisualCSharp	Mon,
	Brilliant!
+1	12/20/2010
	- 15:58
	819270

Shameful	Mon,
	Scientific notation
FTW! Will be able to tell all the kids in school off when they ask	12/20/2010 - 17:48 819502
"When will I ever need to know scientific notation?"	
"When you try to buy a loaf of bread"	
Just wait till they have to upgrade systems to use quad floating point instead of double. After all double will only carry to about 1×10^{308} :)	

WaterWings	Mon,
WARNING This is not a lifesaving device	.308?? 12/20/2010 Did - 19:17

someone just say 819688
.308?

Mon,
12/20/2010
- 21:46 |
819954

UninterestedObserver



Yeah this article is reminding me that I
need more

doomandbloom



Mon, 12/20/2010 -

13:48 | 818851

isn't creation of money just adding bits on the hard drive at the push of a button?

no more printing..its all electronic...

cant wait to get my hands on the Facebook credits.....my farm will be the best.

jahbless



Mon, 12/20/2010

- 14:08 | 818917

that got a small lulz from me - thx. Gallows humour in dispicable times.

traderjoe



Mon, 12/20/2010

- 14:52 | 819050

And that's why BB can say he's not "printing" money.

Oh regional Indian



Tue,

12/21/2010

- 01:29 |

Exactly TJ.
You see,
these guys are not evolutionists but creationists.

Now we can all understand better when they say they are doing "God's" work. An angry god's work at that.

Can they create PM's though?

We'll see.

ORI

<http://aadivaahan.wordpress.com>

SheepDog-One



Mon, 12/20/2010 -

14:08 | 818921

Oh yea 1 more thing, the REALLY funny part of the ACTUAL money printing they attempt with \$100 billion in these new supercool BennieBux...they cant even get THAT right and screwed up the whole batch! Probably cost us about \$120 billion to print that \$100 billion which now much be thrown in the incinerator.

Common_Cents22



Mon, 12/20/2010

- 15:26 | 819157

no wonder cotton has skyrocketed!

traderjoe



Tue,

12/21/2010

- 01:10 |

820287

sodbuster



Mon, 12/20/2010 -

13:44 | 818831

>Was that a pin dropping?<

Nope- that was me shitting myself.

Popo



Mon, 12/20/2010 -

15:47 | 819230

Me too. But I'm so freaked out, I think I shat a pin!

Hephasteus Mon, 12/20/2010
 The FBI is - 23:04 | 820058
searching through your shit. Something about a Waddle and Reed in a haystack.

Dr. No Mon, 12/20/2010 -
 I appreciate this 13:45 | 818832
enhancement. Previously, i would have conversations with
head-in-the-sand older relatives (close relatives), who are the
first out-of-the-pan boomers, about SS/Medicare funding. Their eyes
would glaze over as they couldnt understand the meaning. After
providing a quick "well if the government wouldnt rob the SS fund to
pay the general fund..." retort, they would move on to "i cant believe
they want to lower taxes..."

I point out that the money is gone – water under the bridge, look
forward, not backward. Second, I tell them with the numbers the way
they are, they could cut taxes to zero or increase them to 100% with
the same outcome – default.

With this new debt counter I may be able to get them to look at the
numbers themselves in order to adjust to the inevitable. I do not
expect a change in thought however.

A Texan Mon, 12/20/2010 -
 "Second, I tell them 14:27 | 818972
with the numbers the way they are, they could cut taxes to
zero or increase them to 100% with the same outcome –
default."

So why pay taxes? After all, Bennie can just miracle up a few
hundred billion anytime he wants, and what's a few hundred more
or less in the overall scheme of things.

No, SERIOUSLY, why the fuck should my kids pay taxes for debts
they never voted for (or had the chance to), for goods and services
that didn't benefit them in any way? Why should they, or anyone in
their generation? Fuck it, why should I? After all, I've gotten
virtually zero benefit out of it (save student loan guarantees, long
since paid back in full, and the DoD, which generally does a good
job of keeping those who want to hurt us very far away, and
sometimes dead and far away). Really, what benefit do I get for my
taxes?

There's going to be a BIG tax revolt in this country sometime soon,
and that is when the entire system will fall apart – all because of
the leechfucks and their enablers.

primefool Mon, 12/20/2010
 Correct – agreed. - 14:36 | 818999
This idea that we are passing along huge debts to the
grandchildren is laughable. The grandkids will just
refuse to honor you stoopid leetle obligations – there.

FreedomGuy Mon,
 Don't count 12/20/2010
on that. Our - 15:19 |
kids and grandkids 819135
have been
government educated in the stoopid leetle ideas of
collectivism and government as savior. It could break either
way.

Dr. No Mon, 12/20/2010
 Which is why I am - 14:49 | 819040
for the tax cut. Might as well gets some purchasing
power while the gettin is good.

Dr_Dazed Mon, 12/20/2010
 I pay taxes - 16:03 | 819284
because I like having a virgin butt. Stop paying and
you get a free taxpayer sponsored vacation to Club
Fed.



tonite the americans will 13:47 | 818845
fire a missile into south korea, tell them the north did it, and all
will be well again!

1 2 3 next » last »

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