



# AMERICA'S (Un-)Balance Sheet\*



- Estimated cost of rebuilding after hurricane Katrina \$ 300 Billion
- Estimated total cost of the Iraq War \$ 1.6 Trillion

**[ . . . At no time in the past has America both waged a war and cut taxes:  
the rich as well as poor bore the economic sacrifice . . . ]**

- What the Government owes Social Security Trust Fund \$ 1.6 Trillion
- Current US international debt \$ 2.0 Trillion
- Credit needed from foreign countries (Japan, China, Korea, Europe)  
to support continuing US indebtedness, every day \$ 2.0 B /day
- Current national debt \$ 7.9 Trillion
- Total American debt \$ 40 Trillion
- Personal savings rate (lowest on record) -0.6 %
- Decline in value of US dollar since 2001 26 %
- Americans living paycheck-to-paycheck 28 %
- Current minimum wage (same since 1996) \$ 10,300 /yr.
- Poverty threshold (two adults, two children) \$ 19,350 /yr.
- Children in households benefiting if min. wage lifted 10 million

**[ . . . Congress has raised its own pay 7 times since 1996 . . . ]**

- Interest on the National Debt (as % of budget) 17 %

**[ . . . this, at the lowest rates in 45 years . . . which may not last . . . ]**

- Projected National Debt Interest (% of budget) in 2031 50 %

**[ . . . when half the budget goes to servicing the debt, we're in big trouble . . . ]**

## **Federal Balance Sheet Effects on New Mexico:**

- New Mexico federal budget cut for clean water programs \$ 7.2 Million
- Native American Housing Block grants cut \$ 106 Million
- NM's Medicaid federal portion cut in 2006 budget \$ 148 Million
- NM No Child Left Behind Act underfunded \$ 154 Million
- Cannon AFB realignment, cost to NM \$ 211 Million

Some have commented that the US government's response to hurricane Katrina resembled the incompetence of a third-world nation. In economic terms, we are the greatest debtor nation of all time, a dubious distinction. If the current trend continues, we will resemble a third-world nation in more ways than just disaster response.

**(Paid for by The Democratic Party of Lincoln County)**

**[www.demslc.org](http://www.demslc.org)**

**[\*For references backing up the facts of this list, see: [www.demslc.org](http://www.demslc.org).]**

