

**GRAPH THAT!**  
by Jack Weyland

I recently read a Heritage Foundation Web-Memo entitled, “Obama’s Budget Seeks \$2 Trillion More in Spending and Deficits Than Last Year.”

How much is 1 trillion dollars? Can it be visualized? It can. I am grateful to the web site [www.pagetutor.com/trillion/index.html](http://www.pagetutor.com/trillion/index.html) for the following ideas and illustrations.

First of all, picture \$10,000 made up of \$100 bills. It will be less than half an inch thick. It could easily fit into your pocket. Here then is \$10,000 in \$100 bills.

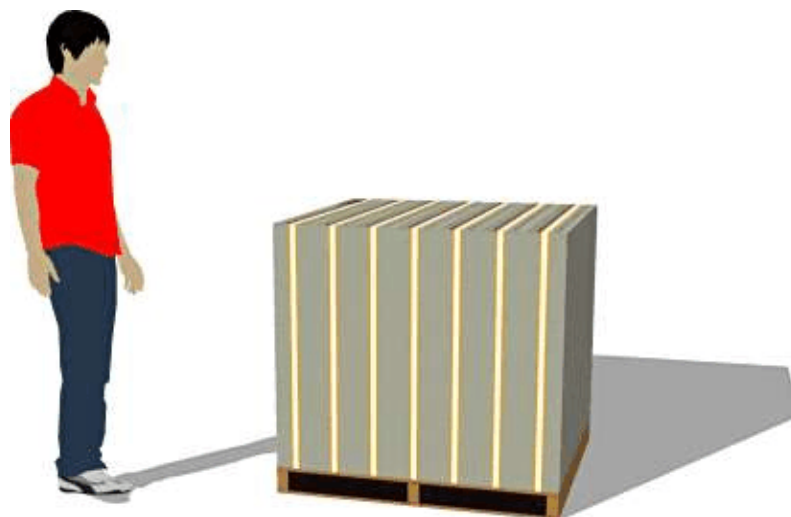


What would a million dollars look like? It would be 100 packets of \$10,000 each. Let’s see what it looks like:



**You could easily put \$1 million dollars in a grocery bag and walk around with it. (Although we don't recommend that.)**

**What about \$100 million? Using \$100 bills as before, let's pile the money on a standard shipping pallet. This is what a \$100 million looks like:**

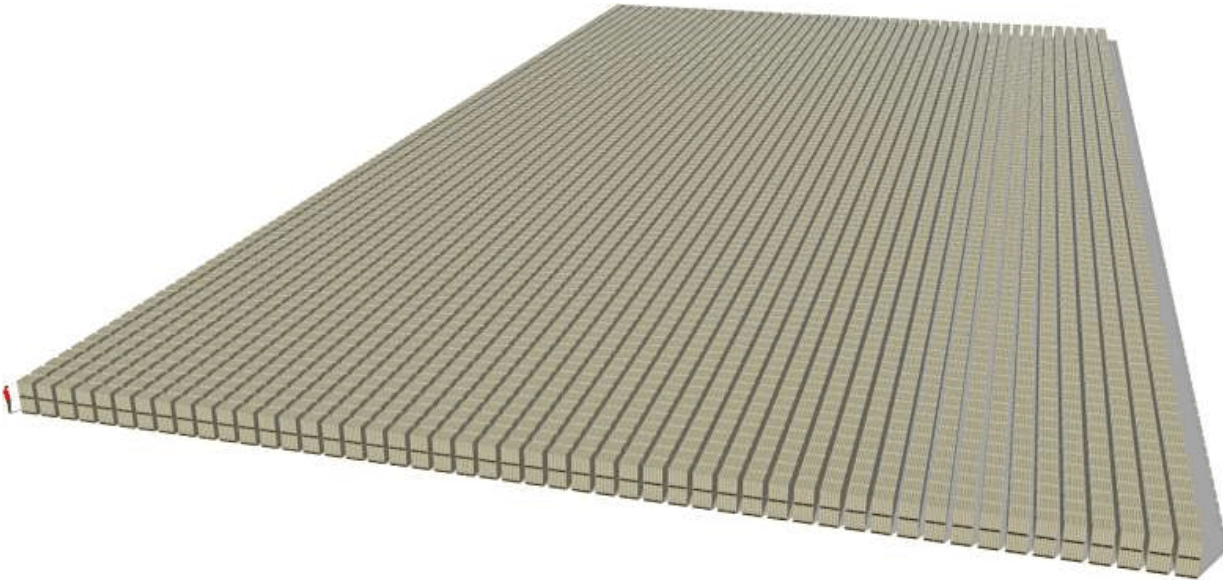


There it is, 100 million dollars! (If you need help putting it on the pallet, let me know.)

Now let's go for 1 billion dollars! A billion is a 1 followed by nine zeros. 100 million is a 1 followed by eight zeros. So all we need is ten pallets each one of them containing 100 million dollars. And here it is:



Now we're ready to see what 1 trillion dollars looks like. A trillion is a 1 followed by 12 zeros. It took us 10 pallets to make a billion. So we're going to need 10,000 pallets! Here it is: **ONE TRILLION DOLLARS!**



**There you go, 1 trillion dollars! (50 stacks by 100 stacks with each stack consisting of two pallets and each pallet containing 100 million dollars) Notice how small our money guy is in comparison. (See bottom left corner.)**

**That is certainly a lot of money! Even so, the administration is proposing a 2 trillion dollar deficit for the upcoming year. For that we'd need to double the number of pallets.**

**Let's look at this another way. The population of the United States is roughly 310 million. If we were asked to come up with 2 trillion dollars this year, each of us would be required to give about \$6500. If you have a family of six, that would be about \$39,000. Please understand that this is not to pay down the national debt. It is just to cover one year's federal budget deficit. The city of**

Rexburg, assuming we have 28,000 people, would need to kick in \$182 million dollars. Feeling generous, Rexburg? Me neither.

When national leaders speak about the federal budget, it's easy to get confused by the terms national debt and the deficit. According to the web site "U.S. National Debt Clock FAQ":

"The National Debt is the total amount of money owed by the government; the federal budget deficit is the yearly amount by which spending exceeds revenue. Add up all the deficits (and subtract those few budget surpluses we've had for the past 200 + years) and you'll get the current National Debt.

Politicians love to crow "The deficit is down! The deficit is down!" like it's a great accomplishment. Don't be fooled. Reducing the deficit just means we're adding less to the National Debt this year than we did last year. Big deal—we're still adding to the Debt."

Imagine a dad joyously gathering his family around the kitchen table and announcing: "Guess what? Last year we spent \$20,000 more than we brought in, but this year, listen to this, we only spent \$7000 more than we brought in! Isn't that great? Good job, everybody!"

Most families do not consistently spend more than their income. But the federal government has been doing it for years. The following graph is from the U.S. National Debt Clock FAQ website, previously mentioned:



**Source:** U.S. National Debt Clock  
[http://www.brillig.com/debt\\_clock/](http://www.brillig.com/debt_clock/)

Obviously, deficit spending has occurred in both Republican and Democratic administrations, and will apparently continue unabated. It is estimated that the national debt will double in the next ten years.

Recently Alan Greenspan, former U.S. Federal Reserve Chairman, said that he's not overly concerned about the recent weakness in the U.S. dollar, but he is concerned about the long-term costs to the United States with its rising national debt. (source: Blogging stocks web site)

What if the United States loses its sweetheart deal interest payments?

Currently the U.S. is paying 3.5% interest on its indebtedness. But if we are seen as a nation fiscally out-of-control, those interest payments could possibly double. That would mean more of our payments would go into interest.

Indebtedness always means paying interest on a loan. As J. Reuben Clark, Jr. once observed: “Interest never sleeps nor sickens or dies; it never goes in the hospital; it works on Sundays and holidays; it never takes a vacation...Once in debt, interest is your companion every minute of the day and night; you cannot shun it or slip away from it; you cannot dismiss it; it yields neither to entreaties, demands, or orders; and whenever you get in its way or cross its course or fail to meet its demands, it crushes you.” (provident living website)

Let's hope that interest due to the national debt does not crush our nation.

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