From great orators to gobbledygook

No nation in history has survived with such massive debt

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Once, in America — and in some other parts of the world — we were gifted by great orators, men and women who could, through the power and content of their words, inspire, motivate and sometimes unify their nations.

Today, we have politicians who mumble, slur their words, repeat themselves and make no sense. They neither inspire nor unite. I don't just mean President Biden and Vice President Kamala Harris, who recently added to her list of non sequiturs by saying that community banks are good because "they're in the community."

One of the articulate members of the Biden administration is Jared Bernstein, chair of the president's economic group. One sees him on TV spinning bad economic numbers, attempting to demonstrate that "Bidenomics" is working despite visible evidence it is not. Still, he appears confident and speaks in complete sentences. Sometimes.

In a recent social media interview, Mr. Bernstein was flummoxed trying to answer a simple question that anyone with minimal knowledge of economics should know. His answer also exposes the phoniness many feel is projected from Washington instead of honest answers that give the public confidence that our leaders know what they are doing.

What follows is a transcript of the exchange.

Mr. Bernstein begins by saying the government can't go bankrupt "because we can print our own money."

Interviewer: "It obviously begs the question: Why exactly are we borrowing in a currency that we print ourselves?"

Mr. Bernstein (after a long pause):
"Well, um, the uh, I mean, again, some of this stuff gets ... some of the language that the ... some of the language and concepts are just confused. The government definitely prints money, and it definitely lends that money, which is why the government definitely prints money and then lends that money by selling bonds. Is that what they do? [seems confused]. They, they um, they yeah, they, they sell bonds, they sell bonds, right, so they sell bonds and people buy the bonds and lend them the money, yeah" (seeming more confident about his disconnected answer).

“So, so, a lot of times, a lot of times at least to my ... [unintelligible] ... the language and the concepts these concepts can be unnecessarily confusing, but there is no question that the government prints money and uses that money to, um, uh, uh, so um, yeah, I guess I’m just ... I ... I can’t really. [unintelligible] “I don’t get it. I don’t know what they’re talking about ‘cause, it’s like ... the government clearly prints money. It does it all the time and it clearly borrows, otherwise you wouldn’t be having this debt and deficit conversation, so I don’t think there is anything confusing there.” Got that?

China and Saudi Arabia have pulled back on the amount of U.S. debt they are buying. I asked financial adviser Ric Edelman what effect this might have. He responded: “It could cause our interest rates to rise. But any such attempt would likely fail, partly because they really have nowhere else to go.”

Given our $34 trillion national debt, Congress’ refusal to cut anything, and the administration’s demands to raise taxes on “the rich” and corporations, Mr. Bernstein’s stream-of-consciousness performance does not instill confidence that these people are capable of putting our economy back on the right track. China and Saudi Arabia have pulled back on the amount of U.S. debt they are buying. I asked financial adviser Ric Edelman what effect this might have. He responded: “It could cause our interest rates to rise. But any such attempt would likely fail, partly because they really have nowhere else to go and because of the rise in stablecoins, which are already the ninth largest holder of U.S. debt and growing fast.”

Still, no nation in history has survived with such massive debt. Add to that the fact that Social Security and Medicare will soon run out of money unless reforms are made, an open border and the refusal by many to accept a shared moral value system, and you have what happened to Rome and other empires that went from prosperity to decline and to the dustbin of history.

Nothing in history indicates the U.S. can escape a similar fate if we don’t change our ways. Heed the warning of Thomas Jefferson: “To preserve their independence, we must not let our rulers load us with perpetual debt.