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The national debt – the easiest money ever

Let's start with a little quiz. Which one of these two presidents, Barack Obama or George W. Bush, has doubled the national debt of the United States? Right-wing voters would probably bet on Obama, while the Left-wing voters – on Bush. The quiz developed by the American libertarians is a lot of fun, however, as there are no incorrect answers. Both Obama and Bush have doubled the national debt. Bush took office on the 20th of January 2001, when the public debt had amounted to \$5.7 trillion. When he was leaving the White House on the 21st of January 2009, the debt had increased by 86 percent and amounted to 10.6 trillion US dollars. Obama, who started from this level, just by January 2014, had already increased it by another 65 percent, to the amount of \$17.5 trillion.

Over the past 15 years we have seen the highest increase of public debt in the history of the United States. It turns out that you could have won two world wars, colonized the Wild West and sent a man to the moon, without spending from the public purse as much money as has been consumed by a couple of crazy social ideas and attempts to seize military control over several majority-desert regions, which the Americans cannot even locate on the map (according to data published in 2002 by the "National Geographic," only 13 percent of Americans were able to point out Iraq on a map of Asia, and about 12 percent – where Afghanistan is).

The same regularity applies to the Polish public debt. We spend more and more money which we have not earned yet. We spend it like water, without haggling for the

price, and as a result, we have every-costlier public projects. As of 2010, computerization of the Social Insurance Institution cost us more than the overall cost of sending the American Pathfinder space probe to Mars. Except that the Pathfinder project was carried out in 1996-1997, and the computerization of the Social Insurance Institution is a never-ending story. As soberly noted by one blogger, the annual cost of maintaining the Social Insurance Institution system absorbs all the monthly pension fund contributions of Polish entrepreneurs. It begs the conclusion: eliminate the Social Insurance Institution and get rid of the information system along with it, as well as ... pension contributions for entrepreneurs.

In case of public debt, as well as in respect of any other loan, you may observe a certain pattern: borrowing is a lot of fun, which no longer can be said about paying off debts. Falling into debt does not hurt anyone – only bumping into creditors does, even if by chance on the street. That is why governments never say anything about repayment of public debt but about its "roll over" – an endless paying off of interest on debts that are repaid by other obligations. When the government begins to spend more money than they earn, there are three options left. It can print money, raise taxes or borrow money. Politicians profit from each of these options, but at the same time each of them is bad for us, the citizens. Each budget deficit sooner or later must end in the passing of these debts onto the citizens. However, there is a simple rule that can save us from public debt – do not spend money that you don't have. ♦

