Lan Nguyen

Enter the name of Instructor

Government

August 16th, 2019.

The worst aspect of burgeoning national debt on the United States

# Introduction

The United States of America became a superpower in the world after the breakup of the Soviet Union. With the dissolution of the Union of Soviet Socialists Republic, it became clear that the ideological mindset of the US is more viable than any other ideological traditions in the world. The economic and political concepts of the United States became the buzzword for everyone, and Americans took pride in being the most democratic, and most prosperous nation of the world. This success continued for some time and Americans remained triumphant. Fast-forward to 9/11 and this happy changed drastically. The economic prosperity of the country began to show the signs of decline and it is still the same today. Besides, according to financial reports and economic surveys, the expenditure has increased tremendously in American society in an unprecedented way. There have been numerous expenses for US government ranging from social security to military adventure in other lands. Nevertheless, this is no blinking the fact that US national debt is crossing the $20 trillion mark recently. This is definitely the first time for any US government to face such massive debt. This ominous state of the national debt is calling for more pragmatic action by those in power.

# Discussion

 US federal government have a list of expenses, some of the most important expenses are social security, medical aid, debt servicing, income security, and defense-war expenditure. The statistics on the US Debt clock are updated in consonance with United States Department of the Treasury and Federal Reserve Bank. Dr. Gillespie's has thrown light on the alarming side of the national debt is there with its malignant effects for the economic health of the country. As a matter of fact, the notable expenditures for the US government are social security and defense war expenditure. The social security takes the lion’s share of national wealth, and it is estimated at around $1.102 trillion in worth. Next two biggest expenses for the US government are Medicare and Medicaid around $679 billion and $418 billion each respectively (Rejda).

As the statistics reveal it, the social security cost so much, and it is mandatory to reform the sector as best as possible. All Americans are well-cognizant of the fact that this social security lacked attention from the pragmatic policymakers, and there has been no effective reformation since the last thirty years (Rejda). In this way, it is necessary to chalk out a plan for cost-effective social security net in society. An effective plan is to raise the retirement age for Americans, focus on longevity indexing, and more focus on equalitarian perspective by reducing the benefit for high earners. Raising the retirement age for Americans will be less ominous for national income as they will not be inclined to take social security after early retirement (Say). This proposal has the potential to fill the budget deficit by fifteen to sixteen percent if the retirement age is increased to 62 or 65 years or even 68 years in the next years.

 Furthermore, the longevity plan also has the potential to ameliorate the national debt by some percentage as more Americans will focus on their good health and longer lives. This has a symbiotic relationship with increased retirement age. Similarly, reducing benefits for high earner will fill the budget gap by three-four percent as there will be more focus on equal opportunity and social justice in American society. It is no understatement that more capitalism and more incentive motives have generated the need for this social security in the first place. This is the reason that more and more social safety needs appeared with the passage of time.

 All these suggestions are opportune and much pragmatic in nature. However, some congressman would still object to the idea of increasing retirement age, more focus on longevity, and impeding the prospects of high earning. All this means to cut social security expenditure are much important in nature and effects. Americans will not depend on their government, and will be more dedicated to their work in later years of life. They would focus on their professional achievements instated of drawing out from national exchequer from national funds. This is even healthier for Americans. The longevity measure will be beneficial in the same way. Nevertheless, the measure of reduction for high earners will be strongly resented by those with nonaffluent backgrounds as it would limit their profits. This is the thing which dominates the American way of life guided by more wealth and revenues. The rich lobby and group of people will be much opposed to this step because it would go against their vested interest.

 The opponents would highlight that this reformed social security measures are mere cosmetic in nature and would not be able to yield tangible results. Furthermore, they would mention the lower class of labors who have lower wages as they would have no benefit from the longevity and raising the full retirement. Even they would associate that this raising full retirement age is just relevant to the affluent class, not the poor section of society. All these objections are valid, but it is to be kept in mind that the prospects of a reformed social safety net outweigh its disadvantageous side.

**Conclusion**

To summarize, the reformation of the social safety net is mandatory as it will save billions of dollars and improve the ominous side of the national debt in the USA. It is mandatory for the stability of the economic progress as well for keeping the American nation intact on matters of national interest.

Works Cited:

Rejda, George E. *Social Insurance and Economic Security*. Routledge, 2015.

Say, You’ve Earned a. “Updating Social Security for the 21st Century: 12 Proposals You Should...” *AARP*, http://www.aarp.org/work/social-security/info-05-2012/future-of-social-security-proposals.html. Accessed 16 Aug. 2019.