

Perspectives of USA economy

From the author

If suppose that USA state debt costs about 3% annually both on long- and short-duration state bonds' debt and it consists more than 500\$ billion per year. Argument that two thirds of this debt is obligation to its own citizen and that means obligation to itself is not stand up to criticism. The matter of the fact is that it is a transfer payment on obligation to future generations who will have to tighten their belts and reduce their consumption just because present politicians provide high social care level today including program "Obamacare" that means Obama's care in free translation.

Even if that deficit stays in present limits a value of loans will grow inevitably and together with growth of state debt to 20-22 trillion in absolute expression to 2020 will lead value of payment on income per USA state bonds to 1 trillion dollars annually. And I have serious doubts that GDP will grow in the same speed. Now investments to economy are being warmed above all by such actions as Quantitative Easing. They all are taken by state's institutions and that means they are eaten away.

Economic recession, inflation, reducing of taxes, loans cost growth are inevitable. New QE will not help anymore because low percent rate will provoke inflation inside USA but outside as it is going now.

What will happen? Inevitable strengthening of the powers of the states which are oriented to its own consumption and at the same time have natural resources will take place. There are such countries as China, India, Australia, Canada, Brazil, SAR, partly Russia and some Scandinavian countries.

Military Aerocarriers will have to stand out of play, some states will enter norms and product limits, racial and ethnic tensions will grow, terrorists and pirates will lift their heads higher. Price for gold will funny move up, real estate will become cheaper; autarky will dawn in international economy again and, as a result, barter operations will bloom up too.