



FEDERATION OF AMERICAN CONSUMERS AND TRAVELERS

## - NEWS RELEASE -

FOR IMMEDIATE RELEASE

### **Government Math ... and What It Could Mean to You**

EDWARDSVILLE, IL, May 24, 2011 - Vicki Rolens, managing director of the Federation of American Consumers and Travelers (FACT), has released some of the latest information and projections concerning government spending. "Sometimes we consumers feel very far removed from all the budget happenings in Washington," says Rolens, "but those happenings can and almost certainly will have a direct impact on most of our lives."

Right now, Rolens says, the federal government is spending \$118 billion more per month than it brings in. It makes up that difference by borrowing, which has brought the nation right up to its \$14.3 trillion debt ceiling. The answer? Raise that ceiling yet again (for something like the tenth time in ten years) or face some extremely difficult circumstances: massive tax increases, the elimination or reduction of federal programs, etc.

Some other relevant statistics and predictions:

By 2025, virtually all federal tax revenue will be consumed by Medicare, Medicaid, Social Security and interest on the debt. All other government obligations will need to be paid for with borrowed money -- which, of course, means further increases to the debt ceiling until, at some point, the interest on all that debt can no longer be paid and/or the U.S. can no longer find creditors.

Rolens says she saw a quote from a representative of the Government Accountability Office (GAO) which may have summed up the budget/debt conundrum best:

"Everybody wants a small government. Everybody would like low taxes. And they'd like government to do everything that the think government should do ... but the arithmetic can be a problem."

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This news release has been issued by the Federation of American Consumers and Travelers (FACT), a consumer organization formed under the not-for-profit corporation laws of the District of Columbia in 1984. FACT serves more than 1 million consumers nationwide. Additional information on FACT may be found in the Encyclopedia of Associations, and by visiting the association's Web site ([www.usafact.org](http://www.usafact.org)). Informative, unbiased news bulletins are regularly disseminated by FACT to help its members remain current on matters which might seriously impact their lives. The association does not offer support to -- and does not receive support from -- any political party or movement. In addition to publishing consumer-related reports, the association provides more than 40 benefits for its members, ranging from medical insurance and dental discounts to prescription drug savings and scholarships. FACT's administrative office is located at 318 Hillsboro Avenue, Edwardsville, IL 62025