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THE DEBT DEATH SPIRAL

How America's \$38 Trillion Time Bomb Could Impact Your Retirement

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INTRODUCTION: THE MATH PROBLEM NOBODY WANTS TO TALK ABOUT

There's a number so large, so incomprehensible, that your brain literally cannot process it.

\$38,000,000,000,000

That's America's national debt as of September 2025.¹ Thirty-eight trillion dollars.

To put this in perspective: If you spent \$1 million every single day for the past two thousand years, you still wouldn't have spent \$1 trillion. You'd need to do that 38 times over to reach our current debt.

But here's the part that could be concerning: **The debt isn't necessarily the problem. The potential issue may be the interest on that debt.**

We crossed a point in 2024 when interest payments on our national debt³ exceeded \$1 trillion annually.² That's more than we spend on defense (\$816 billion).³ We're now borrowing money... to pay interest on the money we already borrowed.

This is what economists call a "debt death spiral." And once you enter it, there could be limited ways out.

PART 1: UNDERSTANDING THE DEATH SPIRAL

The Compound Interest Monster

Here's what many may not understand about debt: It doesn't grow in a straight line. It could grow exponentially.

2000

National Debt: **\$5.7 trillion**⁴
Interest Payment: **\$361 billion**

2010

National Debt: **\$13.5 trillion**⁵
Interest Payment: **\$413 billion**

Why so low? Fed suppressed rates near zero after 2008 crisis.

TODAY

National Debt: **\$38 trillion**⁶
Interest Payment: **Over \$1 trillion and climbing**

The Congressional Budget Office projects that by 2034, interest payments could hit \$1.6 trillion annually.⁷

By 2028, interest payments may exceed our entire defense budget.

By 2031, if rates stay elevated, interest could potentially consume 25% of all federal revenue.⁸

The Three Potential Paths



When a government enters a debt death spiral, there could be three potential ways out:

Path #1: Default on the Debt

Argentina has defaulted nine times since independence. Each default destroyed savings, collapsed the economy, and impoverished millions. Most analysts suggest American politicians would be unlikely to choose this path.

Path #2: Tax Our Way Out

To pay off \$38 trillion could require doubling all federal taxes for 16 years straight. The top marginal tax rate might need to exceed 70%. Politically challenging.

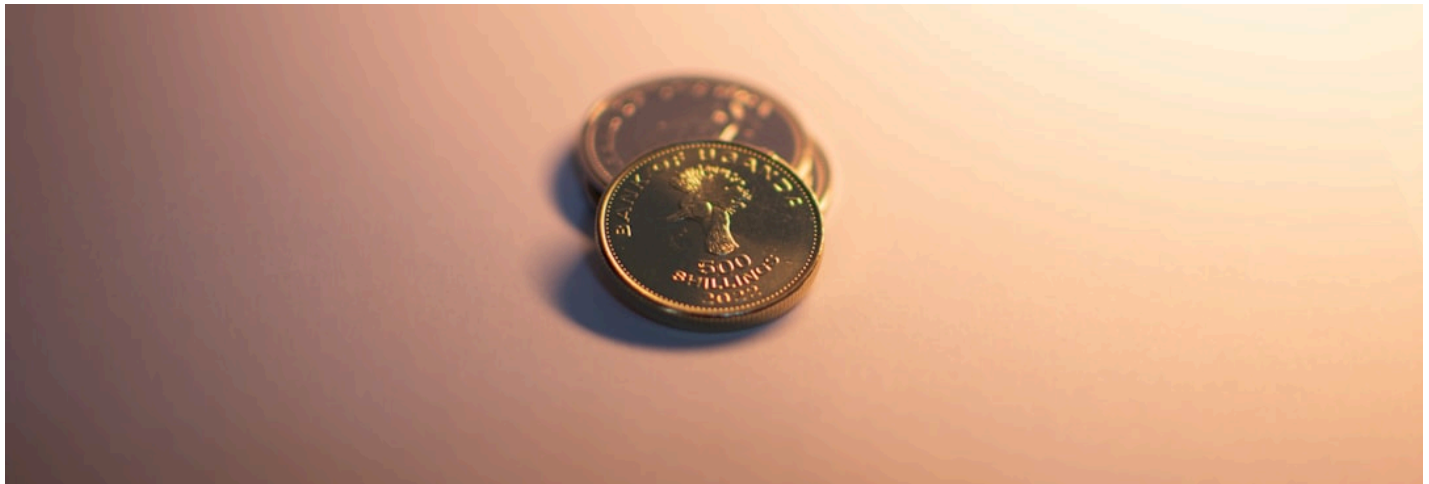
Path #3: Print Our Way Out

This could be the politician's preferred choice. Create new dollars to pay old debts.

It's what Germany did in 1923, when a loaf of bread that cost 250 marks in January cost 200 billion marks by November.

PART 2: THE HISTORICAL PATTERN

Potentially Inflating Away the Debt



Here's what they don't always teach in economics class: Governments may not pay back debt. They could potentially inflate it away.

Post-WWII Example

After World War II, U.S. debt reached 106% of GDP.

Through financial repression - keeping interest rates below inflation - they reduced it to 23% by 1974.

How? By potentially destroying the dollar's value.

What cost \$1 in 1946 cost \$2.88⁹ by 1974.

This could be government's preferred approach. The debt stays the same nominally, but gets paid back with potentially devalued dollars.

Who Could Lose:

- Anyone with savings (purchasing power may evaporate)
- Anyone on fixed income (Social Security could buy less each year)
- Retirees (your \$500,000 could become worth \$125,000 in real terms)

Who Might Win:

- Debtors (potentially pay back with devalued dollars)
- Hard asset holders (gold, real estate, commodities may benefit)
- The government (could potentially inflate away obligations)

At just 7% inflation, your dollar could lose half its value in 10 years.

At 10% inflation, it might take only 7 years.

PART 3: WHY **POLITICIANS** MAY ALWAYS CHOOSE PRINTING

Both Parties Have Historically Increased Debt

Don't assume one party might save you. Look at the historical record:¹⁰

Reagan: Tripled the debt from \$998 billion to \$2.9 trillion

Bush Sr.: Added \$1.5 trillion (54% increase)

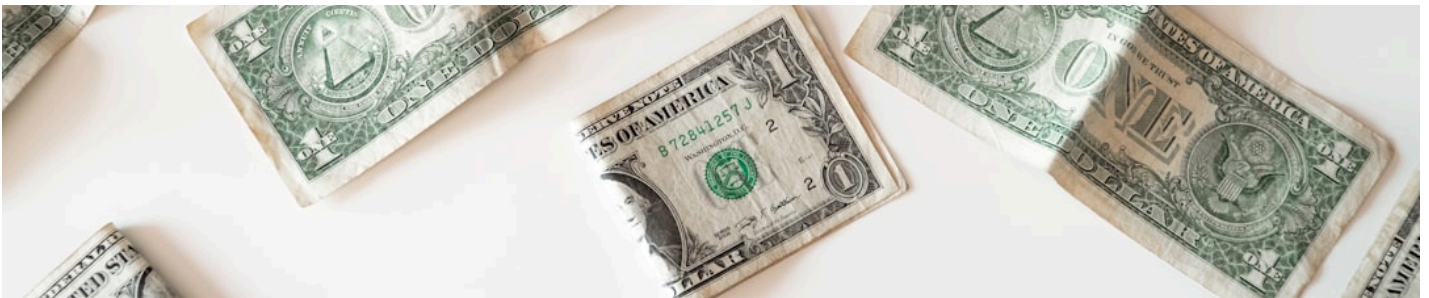
Clinton: Added \$1.4 trillion (32% increase)

Bush Jr.: Doubled it from \$5.7 to \$11.7 trillion

Obama: Added \$8.6 trillion (74% increase)

Trump: Added \$7.8 trillion in just 4 years

Biden: On track to add \$6+ trillion



Since 1980, the national debt has grown at 8.5% annually—far faster than economic growth (2.7%).

PART 4: THE **GOLD** CONSIDERATION

Why Gold Has Historically Performed During Currency Crises

When paper currencies have faced challenges, gold has often increased in value. During historical hyperinflations, gold has frequently been among the assets to potentially maintain purchasing power.

1970s Inflation Example

As inflation impacted America in the 1970s:

Gold: \$35 → \$850

A 2,329% gain

The Potential Mathematical Reality

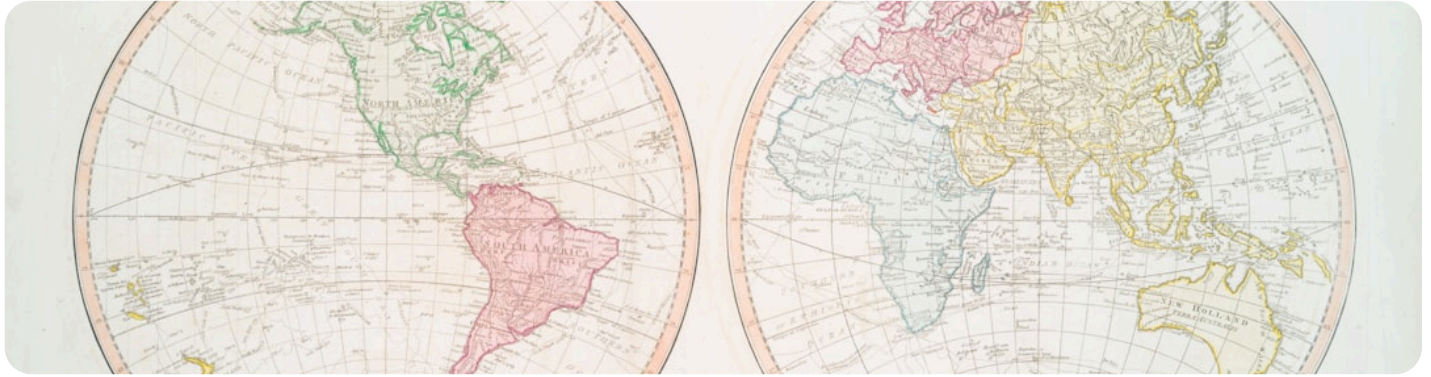
If gold were to back even a fraction of the U.S. money supply, prices could potentially need to rise dramatically from current levels. Some analysts suggest that backing just 20% of the money supply could require gold prices significantly higher than today.

Central banks appear to recognize this.

In 2024, they bought 1,038 tonnes of gold – the second-highest year on record.¹²

China's central bank has been increasing its gold reserves. They could be preparing for monetary changes.

PART 5: POTENTIAL **TIMELINE** CONSIDERATIONS



The Triggers to Monitor

Four potential circuit breakers could trigger challenges:

1. Interest Exceeding 25% of Revenue

Possibly expected by 2028

2. Foreign Treasury Reduction

China has already been reducing holdings

3. Potential Treasury Auction Issues

Demand has shown signs of weakening

4. Possible Loss of Reserve Currency Status

Dollar share of reserves has been declining

PART 5: POTENTIAL **TIMELINE** CONSIDERATIONS

Why 2025–2027 Could Be Critical



Social Security trust fund depletion projected for 2033¹³



Medicare faces potential insolvency challenges¹⁴



Federal interest payments may exceed defense spending by 2025



Debt-to-GDP ratio continues climbing to concerning levels

PART 6: YOUR **POTENTIAL** PROTECTION APPROACH

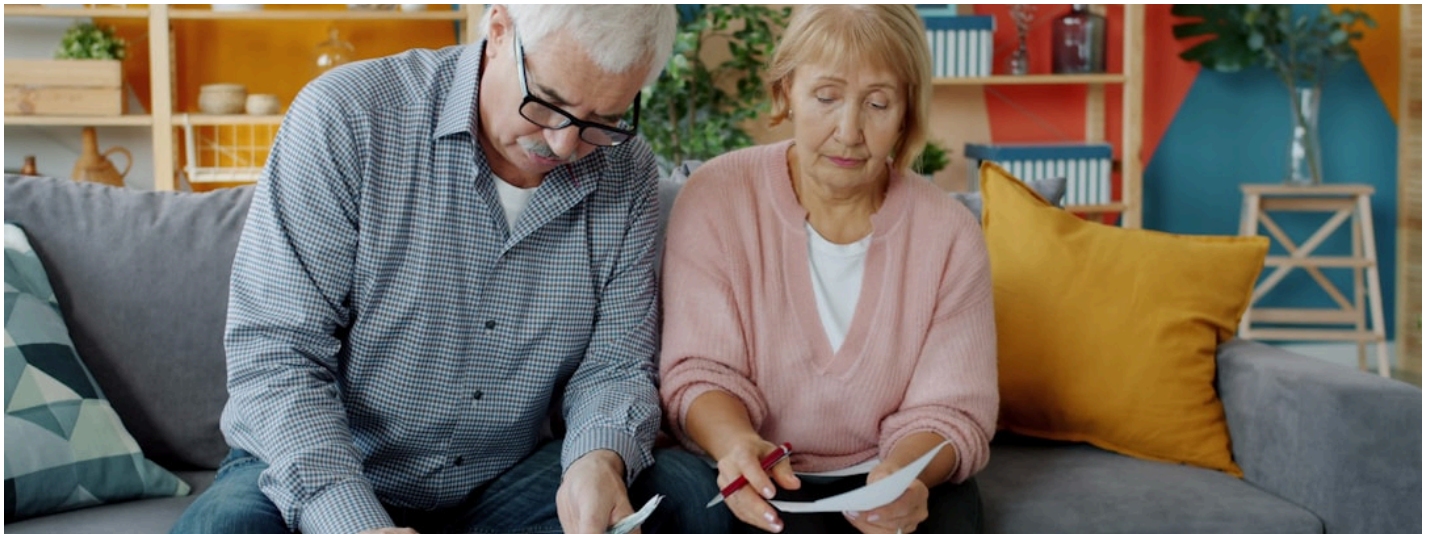
The Allocation Consideration

Leading specialists and fund managers often suggest gold allocations ranging from 5% to 10% or more of a portfolio, with some recommending higher allocations during times of monetary uncertainty.

Suggested Gold Allocation Range

5% - 10%+

of portfolio value



Physical vs. Paper Gold

The paper gold market could be many times larger than the physical gold market. When everyone wants delivery, paper gold holders may only receive cash settlements, not actual gold.

Paper Gold Risks

- ✗ Gold ETFs could potentially be frozen
- ✗ Futures might be cash-settled
- ✗ No physical possession

Physical Gold Benefits

- ✓ Actual ownership
- ✓ Professional storage available
- ✓ True wealth preservation

Only physical gold in your possession or professional storage may truly be yours.

The Potential Overnight Repricing Risk

Gold can move dramatically in short periods. Historical data shows gold has made moves of 20% or more in single days during crisis periods. In today's terms, that could potentially mean hundreds of dollars per ounce overnight.

When the debt spiral potentially accelerates, you might not get another chance.

CONCLUSION: THE CHOICE THAT MAY NOT REALLY BE A CHOICE

The U.S. debt may never be repaid in today's dollars. This isn't necessarily pessimism—it could be mathematics.

Various economic models and the Congressional Budget Office warn of fiscal challenges in the coming decade.¹⁵

You may have two choices:

1. Trust politicians who've added \$32 trillion in debt since 2000
2. Consider protecting yourself with what could be history's most enduring store of value

The debt death spiral appears to have begun.

The ending could be predictable.

The only question might be: Will you be prepared?

CONCLUSION: THE CHOICE THAT MAY NOT REALLY BE A CHOICE

Now Is the Time to Explore Your Options

With rising national debt, persistent inflation, and growing economic uncertainty, it's more important than ever to understand how your retirement savings could be impacted—and what you might do to potentially help protect them.

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Call today for a free, no-obligation consultation. In about 30 minutes, you'll get a clear overview of strategies that could potentially help safeguard your retirement portfolio using physical precious metals.

There's no pressure, no commitments—just timely information so you can make confident, informed decisions.

Economic conditions can shift quickly. Precious metals may help add stability to your retirement plan. And exploring your options now could be an important first step.

Call (888) 678-8089 now to speak with a knowledgeable specialist and learn whether a Gold IRA or physical metals strategy might fit your financial goals.

Your future deserves clarity. Start with a conversation today.

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