

Part One, American Government and U.S. Constitution

Lesson 26: *Avoiding the Burden of Debt*

(Principle 27)

Name: _____

Part II: The Founders' Basic Principles – 28 Great Ideas that Changed the World

Lesson 26 Time: 42:56 [for Sunday, September 14, 2014]

The 5000 Year Leap: 27th Principle, Reading Assignment: (pages 291-303);

Avoiding the Burden of Debt

Lesson objectives: As a result of this lesson, the student should be able to discuss the following questions/topics:

1. DESCRIBE AT LEAST TWO WAYS A PERSON CAN BECOME A SLAVE. (PAGE 291)

The Burden of Debt

o Slavery occurs two ways

- by conquest

- by debt

- defined as borrowing against future income

o Debt

- temporary handicap

- get out as soon as possible

2. WHAT IS DEBT? (291-292)

Debt Benumbs the Spirit

o curtails freedom

o hesitant to make change

o pass up financial opportunities

o burdened every hour

o sense of waste

o sleepless nights

o avoid people

3. HOW DID THOMAS JEFFERSON AND BENJAMIN FRANKLIN FEEL ABOUT PERSONAL DEBT?

(293-294)

Founders Hated Debt

o Jefferson

- don't buy till you have the money

- worst kind of debt is "splurge spending"

[- one of the greatest dangers to be feared for a republic]

o Franklin

- debt gives another power over your liberty

- debt invites lying

4. DID THE FOUNDERS FEEL ANY DIFFERENTLY TOWARD NATIONAL DEBT? WHAT ABOUT INHERITED DEBT? (294- 296)

Passing Debt on to the Next Generation

- o Argument that future generations benefit
 - bond issues to build roads and schools
- o Jefferson said it is immoral (quote)
 - should pass on freedom
 - taxation without representation
- o US began with \$79,000,000 debt

5. WHAT PRIORITY DID THE FOUNDERS GIVE TO DEBT RETIREMENT? (296-97)

- o Washington wanted schedule to pay off national debt
- o Couldn't get Congress to do it

6. WHAT FUNDAMENTAL PRINCIPLES HAVE U.S. POLITICAL LEADERS VIOLATED IN THE PROCESS OF ACCUMULATING TODAY'S MASSIVE NATIONAL DEBT? (297-301)

- o [1812-1815] War increased debt
- o Jefferson and Jackson paid off much
 - sold public land, had surplus!
- o Depression increased debt
 - New Deal - Borrow ourselves wealthy!
- o [after WWII] No more attempts to pay off debt

7. WHAT REMEDIES CAN SOLVE OUR NATIONAL DEBT CRISIS? DO YOU THINK POLITICIANS KNOW THE REAL ANSWERS? (301-303)

The Fix

- o Denounce high taxes
- o Cut spending on welfare programs
 - violent outcries
 - political suicide
- o Need courageous Congressmen

