

Mounting Pressure: US National Debt soars by USD 62,000 every second in 2024

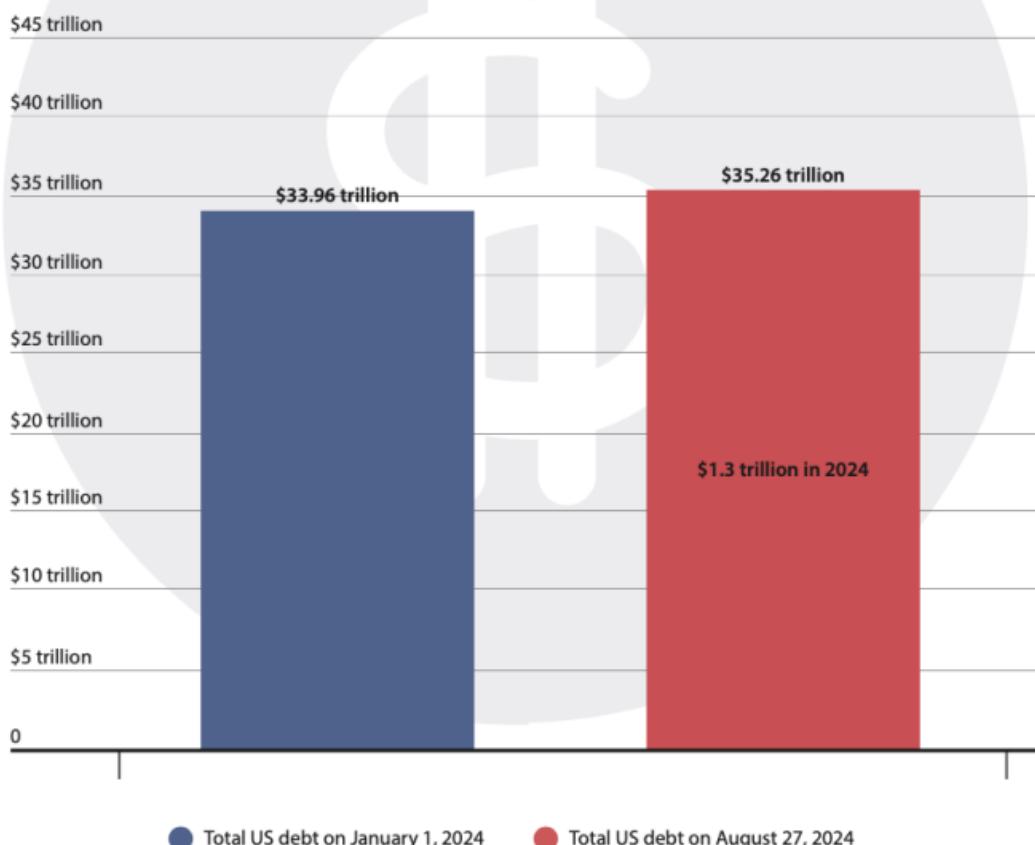
August 27, 2024. Andreja Stojanovic.

US National Debt Growth in 2024 (in trillion USD)

January 1, 2024 vs. August 27, 2024

Information: Finbold retrieved total US debt figures for January 1, 2024, at press time on August 27, 2024, and subtracted the former from the latter. The resulting figure - showing the total growth of US debt in 2024 by August 27 - was first divided by the number of days, then hours, then minutes, then seconds elapsed since the start of 2024. Rounded figures.

Sources: usdebtclock.org, web.archive.org, Finbold.com



● Total US debt on January 1, 2024 ● Total US debt on August 27, 2024



\$5.42 billion is the US debt **daily** growth in 2024 (between January 1 and August 27, 2024).



\$225 million is the US debt **hourly** growth in 2024 (between January 1 and August 27, 2024).



\$3.75 million is the US debt growth per **minute** in 2024 (between January 1 and August 27, 2024).



\$62,607 is the US debt growth per **second** in 2024 (between January 1 and August 27, 2024).

The issue of the US government's debt has been a hot-button topic for decades, with administration after administration seemingly doing more to increase it once in power, no matter its stated stance during the election season.

The matter appeared to have turned particularly dire over the last five years as the COVID-19 pandemic led to fears of an economic crash and the issuing of vast amounts of new currency – and massive levels of borrowing – to cushion the policy of lockdowns.

While the worst of the crisis is over by 2024, Finbold research found that borrowing has hardly slowed, with the US accumulating an average of USD 62,607 of debt every second between January 1 and press time on August 27.

US debt grows USD 1.3 trillion in the first eight months of 2024

Indeed, at the beginning of 2024, the total American public debt amounted to USD 33.96 trillion, and by late August, it rose to USD 35.25 trillion.

The total increase stands at USD 1.29 trillion, meaning that the country has been borrowing USD 5.4 billion on average on each of the 240 days that have so far passed this year.

Though the numbers are, at face value, in line with the striking figures observable since 2020 – US debt stood at USD 23.2 trillion at the end of 2019 and rocketed by more than USD 10 trillion by the end of 2023 – 2024 is not likely to be even close to the worst years on record.

Is there a silver lining to American debt-taking?

At the current pace, US debt in 2024 is likely to increase by just under USD

2.6 trillion, similar to the previous year, showing a significant slowdown from 2020's USD 4.5 trillion increase.

Unless a major reporting error is uncovered or there is a major uptick in borrowing, the situation will be significantly less bad by the end of the year than the

USD one trillion every 100 days projection, which would place the final annual tally at approximately USD 3.6 trillion. Nonetheless, the situation remains worrisome. On the one hand, the International Monetary Fund (IMF) has been issuing increasingly stern warnings about the country's unsustainable policy.

Furthermore, when divided per capita, the burden has been growing approximately seven percent annually since the Great Recession of 2008, according to Finbold's earlier research, and stood at a high of USD 109,000 at the end of 2023.

Could Donald Trump or Kamala Harris help reduce the national debt?

The upcoming presidential elections are also likely to significantly impact the US debt, at least on a surface level.

A second Trump administration would likely extend the 2018 Tax Cuts and Jobs Act (TCJA) but is unlikely to significantly reduce government spending, at least initially.

In fact, sufficient cuts in government spending to make up for the revenue loss from the tax cuts would remain uncertain, as they would require a significant reduction in infrastructure investments, education, various social services, the defense budget – the least likely target for cuts – and many other areas. A Harris administration, on the other hand, could potentially reduce the rate of debt-taking given that the proposed tax plan would do some work in reducing the gap between revenue and expenditure – potentially reducing the deficit which, in the fiscal year 2024, was expected to amount to about USD two trillion, based on January projections.

Still, the reduction would only be observable should all else remain equal, and a Democratic administration would probably seek to increase both revenue and expenditures while simultaneously striving for tax cuts in other areas, making it unlikely to slow down government borrowing.

Andreja is a skilled finance news reporter, copywriter, and screenwriter with a growing fascination for finance, especially in the wake of the retail investing boom. He has since committed himself to providing rigorous coverage of financial news and the exploration of intricate financial concepts.