

Private Sector Relative Deficit - Understanding of Growth and Risk to Nominal GDP Projection – Thinking USA Comparison to Other Nations

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Use this to put the USA deficit into proper comparison to other nations in the world. The deficit must be compared to market value to be proper. Even more proper is a comparison to the **Present Value of Positive Expectations from Future Nominal GDP (PVofPE-FNGDP)**. On this basis, the USA private sector does not have a deficit problem and has room to grow. Present value considerations (interest, inflation, risk) cut to the truth, believable over the last 500 years.

Estimates given growth of 3-5% and risk of 10% including interest

	After 2016	After2020	After2024	After2028	After2032	After2036
Deficit	20T	24T	28T	32T	36T	40T
%of PVofPE						
FNGDP	9.93	9.33	8.86	8.06	7.04	6.99
PVofPE						
FNGDP	201T	257T	316T	397T	512T	572T

Estimates given growth of 3-5% and risk reduction from 10% to 7.5% including interest

	After 2016	After2020	After2024	After2028	After2032	After2036
Deficit	20T	24T	28T	32T	36T	40T
%of PVofPE						
FNGDP	9.93	8.63	7.45	6.03	4.55	3.18
PVofPE						
FNGDP	201T	278T	375T	531T	792T	1259T

The private sector of the USA owns everything including the governments they accept under the Declaration of Independence and the written Constitution. The private sector grossed up to be as large as possible has assets, liabilities and equity. That “entity” is loosely defined to include everything including the government and the everything behind and on the side of the nominal GDP. Market Value can be determined on the basis of Net Assets less debt OR by the **Present Value of Future Nominal GDP Expectations (PVofPE-FNGDP)** less the borrowing on those future cash flows that will never be paid back. Debt is considered in net assets and at the top where it will never be paid back in the course of nominal GDP achievement.

180 countries of the United Nations can be valued on this basis. Most have little if any value. Some like North Korea, Cuba, Panama, Mexico and others need to be acquired at a fair value as “not yet territories”. But to whom would the money be paid. And, how would it be justified to grow if the individual and animal spirits for growth did not exist.

Example of USA Valuation.

- 18 trillion in nominal GDP, at 2016
- Growth at 3%, 3.5%, 4%, 4.5% and 5% as a base plus 5 periods of 4 years.
- A risk factor in the present value calculation of a 100-year future of 10% to 7.5% as risks to the GDP are considered and changed.
- Risk to the GDP projection are impacting factors weighted to 100% carried to the calculation by the one percentage. Say 10% moving to 7.5% reflecting improvement.
- Capitalistic, Socialistic, Communistic, Dictatorial, mixes and others all boil down to a present value of the next 100 years whether the calculation is made or not.

- In the USA the President, Congress, Judicial and Banking on National, State, Local levels represents the dwarfed value of government with the total private sector being lord over all. The total is not the government by a long shot.
- Every nation on earth has this valuation in support of relative national debt obligations. Debt as a percent of PVofPE-FNGDP is a valid private sector comparison giving proper consideration to risk of sustained expectations of growth economics, education, emotions and ethics (EEEE). Growth EEEE is seen to include relative values of safety, security, civility, character/emotional values, governance, military, networks, markets and many other assets and attributes of the daily life of the private sector individual in network connection with others. Every nation has a list of its assets and attributes.
- Doomsday is a consideration of risk. It is real like seen in failed states and those with no value system. Communist, Socialist, Terroristic, Dictatorships have higher risks to predicted GDP growth. There is no country without risk. 2008 was proof that the strong USA nation's value was shaken on the basis of the combined projected growth and risk. Think that if the USA risk is 10% what the other nations' risks are. Here are some events that cause change to the risk: Regulations, borders, trade treaties, energy pipelines, NATO spending, sanctions, inflation, alliances, adversaries, technologies, innovativeness, military, space efforts, and the list could go on for at least a page. Every nation has its own page of risks to a positive expectation.
- The risk percentage is most useful in seeing its weight on a 100-year projection and the delta between years and periods. Putting all the factors into one bottle should be the subject of the state department and cabinet documentations for the continuations between administrations. For some countries the risks are so high and the GDP so low the calculations do not mean much calling into question the United Nation's weighted processes and the USA diluted influence. An administration could run on just this and call it Make America Great.
- The PVofPE-FNGDP concept supports deficit spending and accumulation in comparison with others and in comparison year to year based on growth and change in predictability (risk). Riots in France and Los Angeles do not lower risk. Terrorist attack and workplace violence do not lower risk. Media and animal spirits of change and opportunity etc. do impact risk. Lower risk to increasing GDP at a stated rate increases the value.
- Debt is always finally paid with equity. Interest Free Debt is very close to real Equity if the debtor has both the real power of ownership and risk of inflation.
- The private sector not the government is the owner in the USA. The president of the government should have real private sector experience. The bank should always be the private sector's bank. Government banks cannot react fast enough, as seen in 2008 and through history, to unforeseen risk. "We the people citizens" are the total private sector giving gifts of development to each other. This happens every day. Entrepreneurship is work without pay to get started – a gift to self.
- The USA dollar is the world currency; without the broad middle-class trust and confidence that implies a lower class striving to rise and a higher class striving to not recede the world is toast. Toast rather than the playground for positive expectations. Because the USA private sector rules, it can create interest free debt (near equity) because the USA has the lowest debt to market value ratio in the world and the lowest inflation by a long shot. The dollar already has a market risk factor of comparison with other nations in connection with the real power of USA ownership, inflation, trust and confidence by the middle classes. The governments are just a tool, but the central bank is a huge asset of effectiveness with worldwide scope as seen in its 2008 risk reduction activities. However, the FED does demonstrate some class fairness issues.

There is a unique USA way into the modern world to leverage the nation's money power back into and within the private sector individual. The FED can make the nation's accumulated deficit effectively interest free. The USA is acting now as if interest is free and not being honest about it with the people. The President has power with substance, constraint, and leadership to start the redirection of the swamp using proven private sector thinking. Before and after nominal GDP, before and after risk to nominal GDP. PVofPE-FNGDP is defined to be

the private sector and this thinking will cleanse the swamp over 20-25 years, if it is replaced with something that is first things first true. This process has started but is in need of honesty and clarity at some near point in the future because the socialists have it all wrong.

The private sector FED is in a unique position to transform the USA and the world's currency backed by receipt money rather than fiat money and hold the block chained Brain Gold Money like the US Treasury holds real gold reserves. The plan to (create this asset based on knowledge connections of the private sector individuals is the reason that a 5% or more nominal GDP growth rate is reasonable.

How this comes together, based on the work of many, is the subject of USA VALUES, LLC. The FED is the interest of many citizens inside and outside the government. Many suggest the FED should be dissolved. Page 588 of the Creature from Jekyll Island by G. Edward Griffin provides a summary of why this is the case. The case is old and out of date. The better approach to the controversy over the core of the USA money supply is to position it with reserves that can be trusted to be productive. The creation of Brain Gold Money will payoff the National Debt and much more from the new substance of the private sector individual to be better than one's parents. This can be valued as an attribute and put into reserve. This leaves the world and its socialistic tendencies flat OUT DEAD IN THE WATER and because of its positive emotional substance it would be 80-90% popular within the USA middle and lower-class citizenship. This idea intersects with the following writings by USA VALUES, LLC.:

- Civility, Relative Values, Assets and Attributes, PVofPE-Prek and FTFRTFT
- Daily Individual gifting to get development started using NewOldMoney
- FTF ERSD-RA initial individual personal asset building
- Private Sector Relative Deficit Understanding of Growth and Risk of the USA compared to other countries in competition for money and growth economics, education, emotions and ethics.

So in summary use this and its napkin spreadsheet to move right past socialism. Socialism will blow up the individualism behind the USA GDP to the point it has no 100-year projection to work with. Without the 100-year USA system there can be no reasonable worldwide projection of impact on energy, environment, and earth. Socialism is a non-starter.

The napkin has other very important notes to consider first things first real risk reduction, increase to the GDP growth rate and new reserves acting as receipts money in the worldwide USA Dollar system. Such reserves could support 20-year plans to pay off the national debt or just make interest on the deficit free within the public sector via gifting.

Sincerely

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Early Reading Skills Delivered

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