

# Three Existential Threats to Civilization at the End of 2024, Part 3



By Steven Yates

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**Public debt collapses economies and could presage the near-future's biggest power grab.**

*Author's note (I):* although the opinions and conclusions expressed here are research-based, they are my own and should not be attributed to the NewsWithViews.com editorial staff or any other NewsWithViews.com writers.

*Author's note (II):* due both to the approach of Christmas and family issues outside my control, this article, now to be delivered in *four* parts, will be my final work of 2024. I am grateful to my subscribers, and any others who find their way onto this site and see benefit to what I am doing.

Praying that all my readers will have a Merry Christmas and a Happy New Year!

[Part 1](#), [Part 2](#).

**Nick Giambruno's Account of the Existential Threat of Public Indebtedness.**

A week or so ago Doug Casey's daily International Man newsletter [featured Nick Giambruno's account of the dangers of public indebtedness](#) based on a history of how debt cripples

civilizations. Many of Giambruno's observations dovetail nicely with Peter Turchin's.

Here's the pattern (I've paraphrased and elaborated somewhat, mainly to integrate these observations with previous sections):

**Stage 1:** Societies achieve success, typically because they solved problems associated with both economic development *and* community stability, with all that these involve, including a stable, reliably-backed currency.

They then grow expansionist, overconfident, complacent. They turn into *empires*.

**Stage 2:** Expansionism, overconfidence, and complacency lead to extravagant expenditures on domestic luxuries and foreign incursions that turn into wars when others *do not want* their ways of life disrupted and dominated.

**Stage 3:** Empires finance all this by going into *debt*. Eventually they abolish backing on their currency (e.g., the U.S. empire scrapping the gold standard). The superelite and elite classes are already living beyond their means. Their economy begins to overproduce everything (not just aspiring elites). The peasants must buy what the economy produces, or it crashes. The pundit class thus encourages peasants to spend on credit and go into debt, also living beyond their means which has become a structural requirement of an economy that is overproducing. Thus:

**Stage 4:** Debt accumulates and becomes a burden as *interest* on the debt begins to build.

**Stage 5:** Empires have a choice of financing debt through *taxation*, or *currency debasement*, or some combination of both. (Peasants don't have such options, of course.)

**Stage 6:** If raising taxes is a political liability, the

population still bears the brunt of debt repayment through currency debasement, which *destroys the currency's purchasing power: inflation*, which is just more debased currency chasing goods and services. Inflation, combined with *stagnant wages*, immiserates the previously prosperous public. Over time this leads to civil unrest, individual acts of violence, and increasing instability.

Simultaneously the empire's *military adventures* grow increasingly irrational and unfocused. (Examples: Iraq in the 2000s, our proxy war against Russia in Ukraine 2010s, 2020s.)

By this time, *the pundit class, serving the increased integration of state and corporate power, is desperately trying to hide from the peasants just how much trouble the empire is in* – presenting, e.g., doctored economic statistics and misleading accounts of what is happening on various war fronts.

Those with the means have begun fleeing for greener pastures.

**Stage 7:** Soon, the debt burden prevents the empire from financing both its military and its domestic obligations, especially with interest on the debt accumulating. *This becomes the tipping point.*

**Stage 8:** Underfunded militaries plus loss of trust in institutions make empires vulnerable to domestic strife and possible civil war, or foreign invasion.

**Stage 9:** *The empire collapses*, often to a smaller and less complex political unit in the manner of Joseph A. Tainter's [\*The Collapse of Complex Societies\*](#); but what sometimes results is invasion, and sometimes dissolution.

These sorts of things brought down the Roman Empire, Imperial Spain, pre-Revolutionary France, the Ottomans, the British Empire, and others.

Now it's our turn.

At \$36.2 trillion, the U.S. has the biggest national debt the world has ever seen! The debt is rising exponentially and uncontrollably. The official figure does not include Social Security and Medicare obligations.

Giambruno observes that "annualized interest on the federal debt exceeded \$1 trillion for the first time in 2024... The cost is already higher than the defense budget and is on track to exceed Social Security and become the biggest item in the federal budget."

He cites historian Niall Ferguson:

**"Any great power that spends more on debt service (interest payments on the national debt) than on defense will not stay great for very long."**

The U.S., argues Giambruno, is presently between Stages 6 and 7, nearing the point at which crushing debt will make it hard to keep financing military spending.

Present-day public immiseration in those outside the privileged top 10 percent is nearing a breaking point with inflation rendering the combination of housing costs, utilities, healthcare, and groceries increasingly unaffordable – especially for those also making car payments, servicing student loan debt, etc.

And when pundits say "inflation is coming down," all they are really saying is that prices are rising at a slightly lesser rate than they were a few months ago. Another verbal deception.

The Bidenistas sent hundreds of millions to Ukraine! No one in his right mind can think this rational, since no one in his right mind thinks Ukraine can ultimately outlast the far larger, more advanced, and better equipped Russian army.

This is money literally being thrown down a bottomless well!

Ideally, Trump will negotiate a peace settlement (which will make him even more unpopular with the warmongers than he is now). This won't end the need for a strong national defense. It won't stay strong for very long if the federal government can't fund it.

Paraphrasing Giambruno again: *the U.S. federal government will face a choice. It can either (1) make deep cuts in defense spending amid the most chaotic geopolitical period since the second world war; or (2) default on its promises regarding Social Security, Medicare, Veterans benefits, etc.*

Either would be political suicide for whoever is in the White House when these two collide.

Consider, too, that the need for Social Security and Medicare payouts will increase as tens of millions more Boomers (around 22 percent of the population) try to retire.

The warmongers won't allow military spending to be cut.

Result: *more money created out of thin air, more currency debasement.*

Governments tend always to take the path of least resistance based on desperate, range-of-the-moment thinking.

Further consequence: *more and increasingly debilitating waves of inflation! Which in the absence of equivalent higher wages, will mean more people living in tents, cars, under bridges!*

This will mean more crime and more physical as well as mental illness, as more and more people see no way out and are unable to cope! Expect the suicide rate to climb.

Also expect more multimillionaire or billionaire CEOs to be assassinated if they can be located by the few who refuse to go quietly into the night. Just sayin'.

And if the right leader appears and organizes the have-nots... Imagine a much younger Trumpian figure – someone with all of Trump’s charisma, but none of Trump’s weaknesses, such as his chronic lack of focus. (J.D. Vance, four years from now?)

Will we see a new Storming of the Bastille in America by 2030?

Here is where authors like [David Rogers Webb](#) might chime in. (Commentary [here](#).)

The superelite, who never let a good crisis go to waste, may try solve the currency debasement problem in one fell swoop by introducing central bank digital currency (CBDC).

Their Big Promise will be that early adopters will be able to buy food and stay housed.

The price tag of cooperation will be an end to their control over “their” money, their privacy, their basic freedoms, as CBDCs are programmable. They can be designed not to work outside a certain radius from one’s home if one hasn’t gotten permission to travel. They can be programmed not to work after a given date, precluding saving.

Dissidents will face simply having “their” money turned off, and if cash has been criminalized, they will be unable to buy food.

The peasants in this techno-feudal order will indeed own nothing, have no privacy, but be happy, in the manner of World Economic Forum globalists.

Questioning peasants and counter-elites are figuring this out, and CBDCs are being resisted all over the world including in the U.S.

Counter-elite “populism” continues to rise, exemplified by the “far right” figures and parties all over Europe: Hungary, France, Germany, the Netherlands, Italy, Poland, Romania, elsewhere.

More and more of us did not buy, do not buy, their narratives about, e.g., covid.

I see no reason to think the superelite globalists will give up this fight of the century. They want to offer us peasants a stark choice: "global governance" (i.e., *de facto* world government), or starvation!

They are, however, running out of time!

*Bottom line: they can't change the laws of nature. The laws at the center of attention here: unless they are God (they aren't!!), they cannot create genuine wealth out of nothing, any more than they could create matter or energy out of nothing. And neither a ruling class nor those ruled over can live beyond their means indefinitely.*

*And you can only push people so far before you get revolt of various sorts, be it an organization of "alternative" political movements or "wild card" rogue personalities who take direct action as did Luigi Mangione.*

On a very guardedly positive note, I just read that many people are making paying down and getting out of debt a priority item for 2025. It's always a good idea to get out of debt. But it may be too little, too late, and won't affect the larger system. Neoliberal pundits will point out that getting out of debt means less frivolous spending on "stuff" and contend, not unreasonably given the systems put in place over the years, that less consumer spending hurts the economy. So *how did we get into the predicament in which what benefits individuals and families hurts the economy as a system, and what benefits the economy as a system (if it really does) harms individuals and families?*

A debt-caused collapse of the neoliberal, Anglo led "rules-based world order" will presage an even more unstable multipolar world. Russia, China, Iran, North Korea, etc., are already preparing, asking themselves regarding the U.S., "Why

start a war when your enemy's debt burden is already leading them to defeat?"

No, it seems more likely that the Anglo axis will be the one to start the really destructive war that could end it all. Or, with more and more AI being used in place of human labor because it is infinitely cheaper, a computer error could do the job.

Part 4 in a couple more days.

[Part 1](#), [Part 2](#), [Part 3](#),

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Steven Yates is a (recovering) ex-academic with a PhD in Philosophy. He taught for more than 15 years total at several universities in the Southeastern U.S. He authored three books, more than 20 articles, numerous book reviews, and review essays in academic journals and anthologies. Refused tenure and unable to obtain full-time academic employment (and with an increasing number of very fundamental philosophical essays refused publication in journals), he turned to alternative platforms and heretical notions, including about academia itself.

In 2012 he moved to Chile. He married a Chilean national in 2014. Among his discoveries in South America: the problems of the U.S. are problems everywhere, because human nature is the same everywhere. The problems are problems of Western civilization as a whole.



As to whether he'll *stay* in Chile ... stay tuned!

He has a Patreon.com page. Donate [here](#) and become a Patron if you benefit from his work and believe it merits being sustained financially.

Steven Yates's book *Four Cardinal Errors: Reasons for the Decline of the American Republic* (2011) can be ordered [here](#).

His philosophical work *What Should Philosophy Do? A Theory* (2021) can be obtained [here](#) or [here](#).

His paranormal horror novel *The Shadow Over Sarnath* (2023) can be gotten [here](#).

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