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U.S. called a house of cards just on brink

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A former White House adviser for four U.S. presidents says America is on the verge of financial and political upheaval unless the country makes substantial changes in the very near future.

Speaking Wednesday at the Hinckley Institute of Politics at the University of Utah, Stephen M. Studdert, author of the book "America in Danger, What You Must Know to Protect Yourself," said the country is facing economic threats on various levels, including growing government and corporate debt.

"I think the debt level in this country is enormous and dangerous and frightening," said Studdert. "If the government of this country were a business, they would have to declare bankruptcy."

Studdert, who served as adviser to Ronald Reagan, Gerald Ford, George H.W. Bush and Bill Clinton, said the U.S. comptroller general has described the U.S. as "bankrupt as a nation."

"Today the United States of America is a house of cards that could tumble at any time," he said. "The elements of a perfect storm of destabilization and crisis are all about us."

"I'm concerned about unfunded federal liabilities, especially Medicare and Social Security," he said. "Unfunded pension liabilities on the private-sector side are enormous, and over-obligations that are unfunded by municipalities, state and local governments are troubling."

On the corporate side, he commented that the so-called housing bubble has resulted in a "credit crunch" that is having a significant impact on the national economy that is now affecting insurance companies.

"If you look at the domino effects of that, I think that's going to be severe," Studdert said.

He also said the nation's ever-growing indebtedness to China is a disastrous situation waiting to happen unless its government is able to develop policies to help the country become more self-reliant.

Among the biggest threats to the U.S. is China's exponential growth that he said has put that country in a position to replace America as the world's foremost economic and industrial power. He stated that our "friends" in the Middle East are also of concern.

"Saudi Arabia has the potential to cause us an overnight economic calamity because our economy is literally dependent upon their supply of oil to us," he said.

He also mentioned Russia, Pakistan, Iran and North Korea as possible threats to America's national security having an impact on our economic future as well.

As for possible solutions to our national economic problems, Studdert said the citizens of the country must use the power at the polls to make the changes necessary to improve the future.

"We have to demand of those who we send to public office at every level some accountability," he said. "It's time for a little less political correctness and a little more political courage."

"I was appalled to see the United States Congress spending so much time, resources and energy over the issue of steroid use by professional ballplayers, when there are weighty issues that affect not only the country today but the country's existence for generations to come," he said.

Studdert said the American political system today is rife with problems.

"It is rife with politicians who are not statesman; it's rife with politicians who stand for nothing but their own re-election," said Studdert. "There is irresponsibility and intellectual dishonesty."

Studdert blamed much of the dishonesty on the amount of money involved in the nation's political system.

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