

August 05, 1995

Bureau of Public Debt,
U.S. Dept. of Treasury
999 E Street NW
Washington, D.C. 20239

Dear Sirs,

I understand that you are currently accepting public comment on plans to buy back some of the public debt. I would like to share my thoughts with you:

1. It's about time. I strongly urge you to buy back as much as you possibly can to reduce our debt. We have not bought back any of the public debt since 1972 and it's to the point that if we had to pay off the creditors, we'd have to liquidate just about every hard asset the government owns, including our national parks and forests. It's a terrible legacy that were leaving to our children.

2. Concentrate on buying back the bonds and other obligations with the highest interest rates first. If we do have to carry debt, then it only makes sense to carry it at the lowest interest rates we can.

3. Next priority should be to purchase back indebtedness from foreign governments and other foreign interests. Having a large amount of our debt in the hands of foreign powers makes us very subject to political blackmail and undue influence. It is extremely difficult to negotiate from a position of strength when your opponent holds your purse strings.

4. Forget the voluntary approach. This is a straight business decision and should be approached as such. The Government is for the people, the whole people, not just those favored few who have money invested in government bonds and securities. Who speaks for the children yet unborn who will be saddled with this debt if we don't take our fiscal responsibilities seriously enough to manage our own debt?

5. Don't let investor groups or fear mongers of financial upheaval desuade you from making the decisions that any prudent business would. I've heard all the arguements about government not being a business and business rules should not apply. That's hogwash as any person on the street can tell you.

I've also heard the arguements that government's primary role is to redistribute wealth. In that case, I vote to redistribute the wealth to those that really need it. It is abominable the percentage of the annual budget that goes to paying for debt when it could be so much better used addressing the problems of crime, housing, health, infrastructure, research, public lands, education, etc.; all the things that would make the country stronger and better in the years to come.

The flip side is that we as a county can also distribute debt. We can make the poor and disadvantaged, as well as the average citizens, pay now though fewer available programs and assistance, we can also pass the debt on to the future citizens of the country to deal with. with an aging population, this means the burden falls on fewer and fewer people to meet.

Sincerely,

James M. Keniston

cc: Office of Public Correspondence, U.S. Department of Treasury