

God bless America, because they need all the help they ...

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As the [Financial Times](#) has reported:

[US] Treasury Secretary Scott Bessent has insisted the US would never default on its debt as he sought to assuage Wall Street concerns over the state of the country's public finances.

They noted him saying:

"The United States of America is never going to default, that is never going to happen," Bessent told CBS's Face the Nation on Sunday. "We are on the warning track and we will never hit the wall."

Quite what the last sentence means is anyone's guess: I leave it in to emphasise his incoherence, which is so typical of those serving Trump.

His incomprehension is, however, already apparent in his first statement.

The only way the US can default is by choice. Presuming that the US government gives the Federal Reserve power to create money, then, of course, it can never default: the Fed can always produce, on demand, the money required to settle any obligation the USA has owing. It is as straightforward as that.

What Bessant needed to say were two things. The first was what I have just noted.

The second was to say that the Trump administration will always ensure that the Fed has the power to create the necessary money to settle the obligations owed by the US government.

In combination, those two statements would close this debate.

There are three reasons why Bessant did not close the debate.

First, he does not know this.

Second, he does not know whether Trump has the ability to authorise the Fed to make payments of all sums owing by the USA. Congress may not agree, and Trump does not have the power he would like over it.

Third, he does not know whether Trump has the desire to authorise such payments: Trump has opted for bankruptcy far too often throughout his career to be sure that he will not do so again.

And so, the uncertainty will continue.

God bless America, as they say. They need something like that right now.