

Bernanke: “The US Could Soon Face A Debt Crisis Like The One In Greece”

By [Washington's Blog](#)

Global Research, February 27, 2010

[Washington's Blog](#) 26 February 2010

Region: [USA](#)

Theme: [Global Economy](#)

Bernanke is now joining [Rosenberg](#), [Ferguson and Faber](#), [Edwards](#), [Grice](#) and many others in warning that the debt crisis rearing its head in Greece may spread to America, causing U.S. interest rates to climb.

As the Washington Times [wrote](#) yesterday:

With uncharacteristic bluntness, Federal Reserve Chairman Ben S. Bernanke warned Congress on Wednesday that the United States could soon face a debt crisis like the one in Greece, and declared that the central bank will not help legislators by printing money to pay for the ballooning federal debt.

Recent events in Europe, where Greece and other nations with large, unsustainable deficits like the United States are having increasing trouble selling their debt to investors, show that the U.S. is vulnerable to a sudden reversal of fortunes that would force taxpayers to pay higher interest rates on the debt, Mr. Bernanke said.

“It’s not something that is 10 years away. It affects the markets currently,” he told the House Financial Services Committee. “It is possible that bond markets will become worried about the sustainability [of yearly deficits over \$1 trillion], and we may find ourselves facing higher interest rates even today.”

Yes, massive debt overhangs [do matter](#).

Contrary view: A very smart financial expert disagrees, telling me:

Higher interest rates do not equal a debt crisis.

Greece’s situation is not comparable to the US. Greece’s situation is comparable to that of California. It makes a big difference whether you control your currency or not.

The original source of this article is [Washington's Blog](#)

Copyright © [Washington's Blog](#), [Washington's Blog](#), 2010

[Comment on Global Research Articles on our Facebook page](#)

Become a Member of Global Research

Articles by: [Washington's Blog](#)

Disclaimer: The contents of this article are of sole responsibility of the author(s). The Centre for Research on Globalization will not be responsible for any inaccurate or incorrect statement in this article. The Centre of Research on Globalization grants permission to cross-post Global Research articles on community internet sites as long the source and copyright are acknowledged together with a hyperlink to the original Global Research article. For publication of Global Research articles in print or other forms including commercial internet sites, contact: publications@globalresearch.ca

www.globalresearch.ca contains copyrighted material the use of which has not always been specifically authorized by the copyright owner. We are making such material available to our readers under the provisions of "fair use" in an effort to advance a better understanding of political, economic and social issues. The material on this site is distributed without profit to those who have expressed a prior interest in receiving it for research and educational purposes. If you wish to use copyrighted material for purposes other than "fair use" you must request permission from the copyright owner.

For media inquiries: publications@globalresearch.ca