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[America for Sale: Liquidate Assets to Avert Debt Ceiling Crisis, Republicans Say](#)

By David Zeiler, Associate Editor, Money Morning

It would be the greatest garage sale in history.

The United States Treasury possesses 261.5 million ounces of gold, worth about \$392.25 billion at current prices.

Some in Washington say the time has come for the country to sell some of its gold, along with other government assets such as land and buildings, to pay down the \$14.3 trillion federal debt and give Congress more time to resolve the federal debt ceiling crisis.

"It's just sort of sitting there," Ron Utt, a senior fellow at the Heritage Foundation, a conservative think tank, told the *Washington Post*. "Given the high price it is now, and the tremendous debt problem we now have, by all means, [sell at the peak](#)."

U.S. Rep. Ron Paul, R-KY, agreed, telling the *New York Sun* that [selling some of the Treasury's gold](#) would be "a good and moral decision. An individual would have to do the same."

The idea isn't as crazy as it might sound. Six nations - Australia, Austria, Belgium, the Netherlands, Portugal and Sweden - collectively sold off 48% of their gold reserves in the late 1990s. Britain sold half of its gold reserves from 1999 to 2002, and the International Monetary Fund (IMF) sold 13% of its gold - over 403 tons of the yellow metal - as recently as 2009.

The ongoing Congressional struggle over raising the debt ceiling took an ominous turn last week when Republicans walked away from the negotiations, citing Democratic demands for tax increases. At the same time, Republican demands for deep spending cuts have met with resistance from Democrats.

With the deadline just five weeks away - Congress must act before Aug. 2 to avoid defaulting on the nation's debt - some are looking at the sale of gold and other federal assets as a way to reduce the debt and give both sides more time to reach a deal.