

2018

FISCAL SUMMIT:

DEBT

MATTERS



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HOW BIG IS THE PROBLEM?

America's national debt is historically high and on an unsustainable trajectory. According to the International Monetary Fund, the United States will be the only advanced economy in the world to see its debt-to-GDP ratio grow over the next 5 years. Here are the latest projections:

\$1 TRILLION

Return to trillion-dollar annual deficits by 2020.

\$7 TRILLION

Interest alone will total \$7 trillion over the next decade.

105%

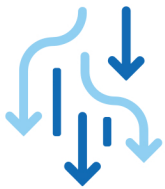
Our debt will rise to 105% of GDP in 2028, the highest since World War II.

\$44,933

Current national debt per American.

WHY DOES OUR DEBT MATTER?

Rising debt is a significant risk to our economy, affecting every American's future. According to the non-partisan Congressional Budget Office (CBO), our high and rising debt threatens to have "serious negative consequences for the budget and the nation."



Lower productivity, certainty and economic opportunity.



Higher likelihood of a fiscal crisis in the United States.



Crowding out of public and private investments, which will reduce future economic growth.



Spending more on interest than on children in less than five years.



Less fiscal flexibility to respond to unforeseen challenges.



Reduction in 4-person family income by \$16,000 in 2047.

THE DAMAGE DONE

Lawmakers have added significantly more debt on top of an already unsustainable trajectory.

Over the course of just a few months, tax and spending measures have made our fiscal outlook considerably worse.

Now, while the economy is strong, it is time to face America's fiscal challenges anew, and reset our priorities to create the conditions for sustained economic growth and prosperity into the future.

	THEN JUNE 2017	NOW APRIL 2018	RESULT
2018 PROJECTED DEFICIT	\$563 billion	\$805 billion	\$243 billion larger deficit
10-YEAR DEFICIT TOTAL (2018-2027)	\$10.1 trillion	\$13.7 trillion	\$3.6 trillion larger deficit
INTEREST COSTS OVER 10 YEARS	\$5.6 trillion	\$6.5 trillion	\$1 trillion more in interest
DEBT-TO-GDP RATIO IN 2027	91.2%	101.4%	10 percentage points higher
10-YEAR REVENUE TOTAL	\$43.0 trillion	\$41.2 trillion	Nearly \$2 trillion less in revenues
10-YEAR SPENDING TOTAL	\$53.1 trillion	\$54.8 trillion	Nearly \$2 trillion more in spending

Source: CBO