



2018 STATE OF THE DEBT

Q

**WHAT'S OUR BUDGET
OUTLOOK?**

IN 2018...

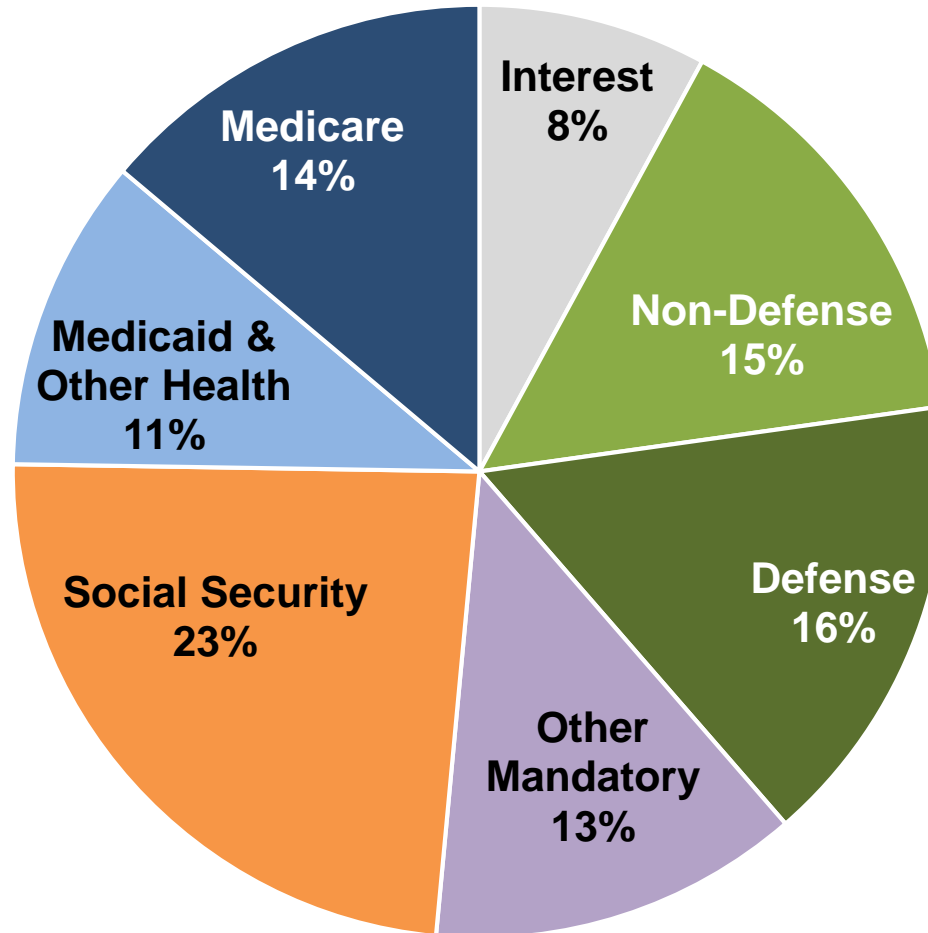
TOTAL REVENUE
\$3.3
TRILLION

TOTAL SPENDING
\$4.1
TRILLION

(THAT MEANS WE WILL BORROW \$800 BILLION.)

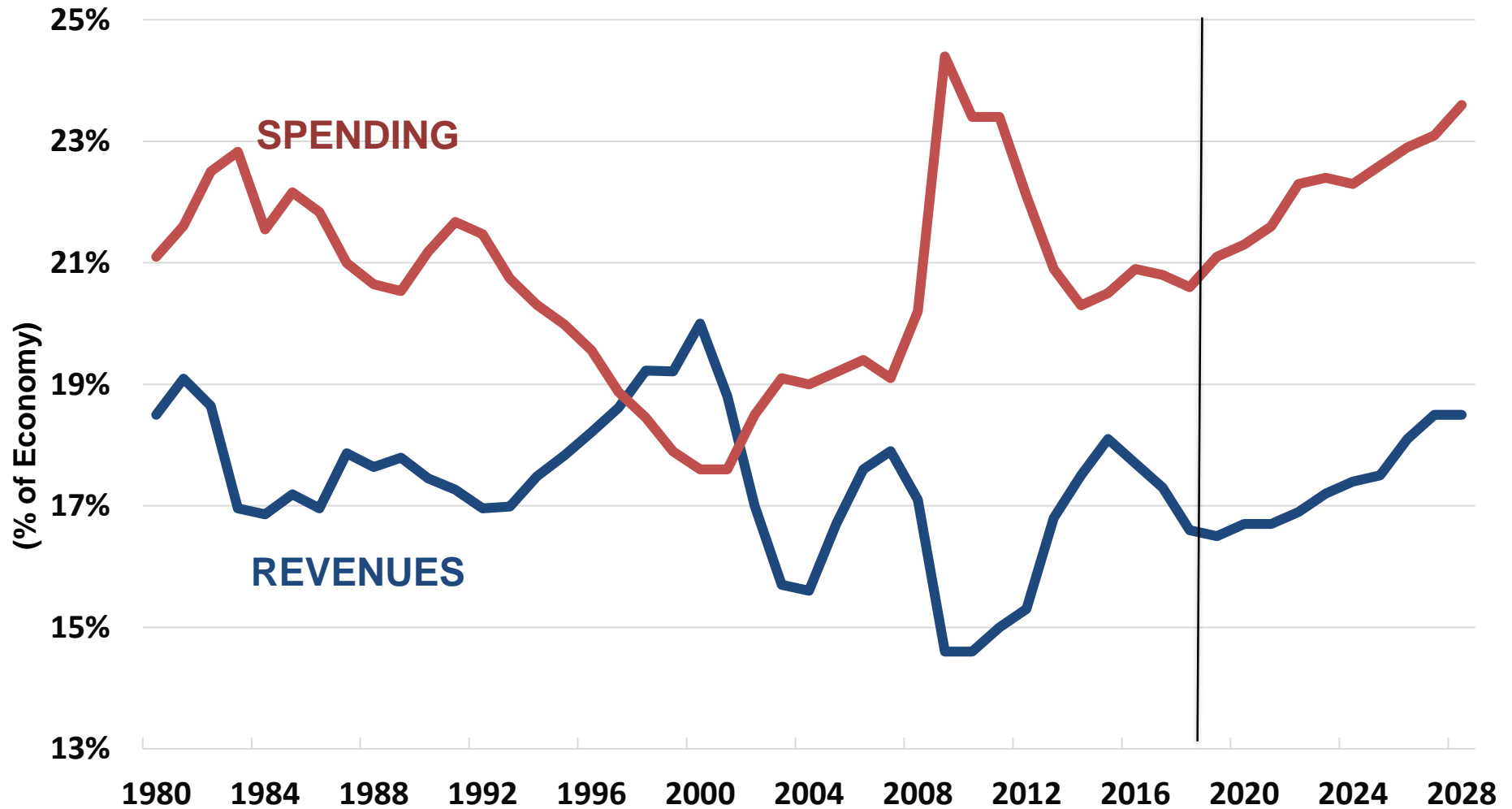
TODAY THE GROSS NATIONAL DEBT IS OVER \$21 TRILLION

SPENDING IN THE 2018 FEDERAL BUDGET

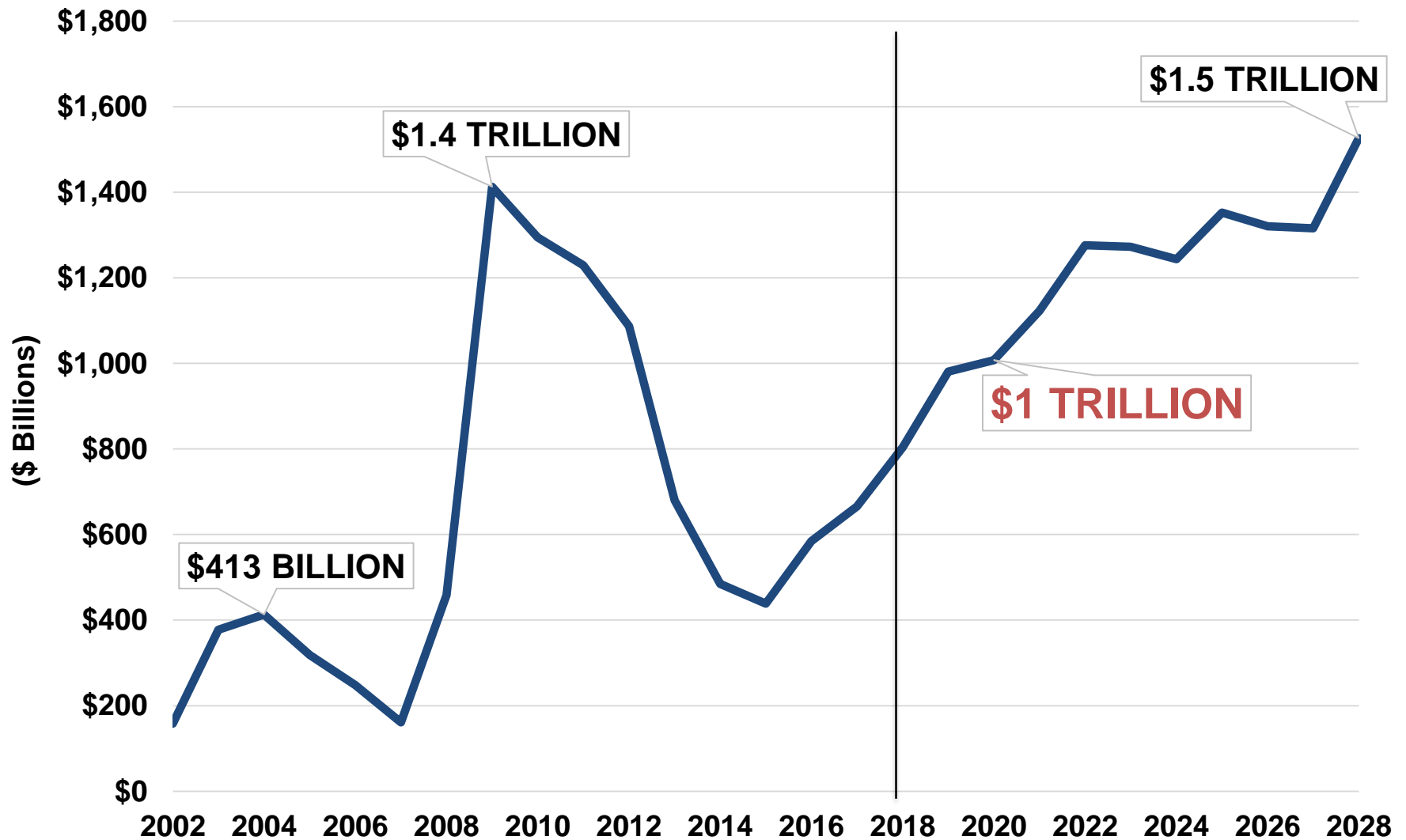


Total Outlays = \$4.1 Trillion

REVENUE AND SPENDING GAP

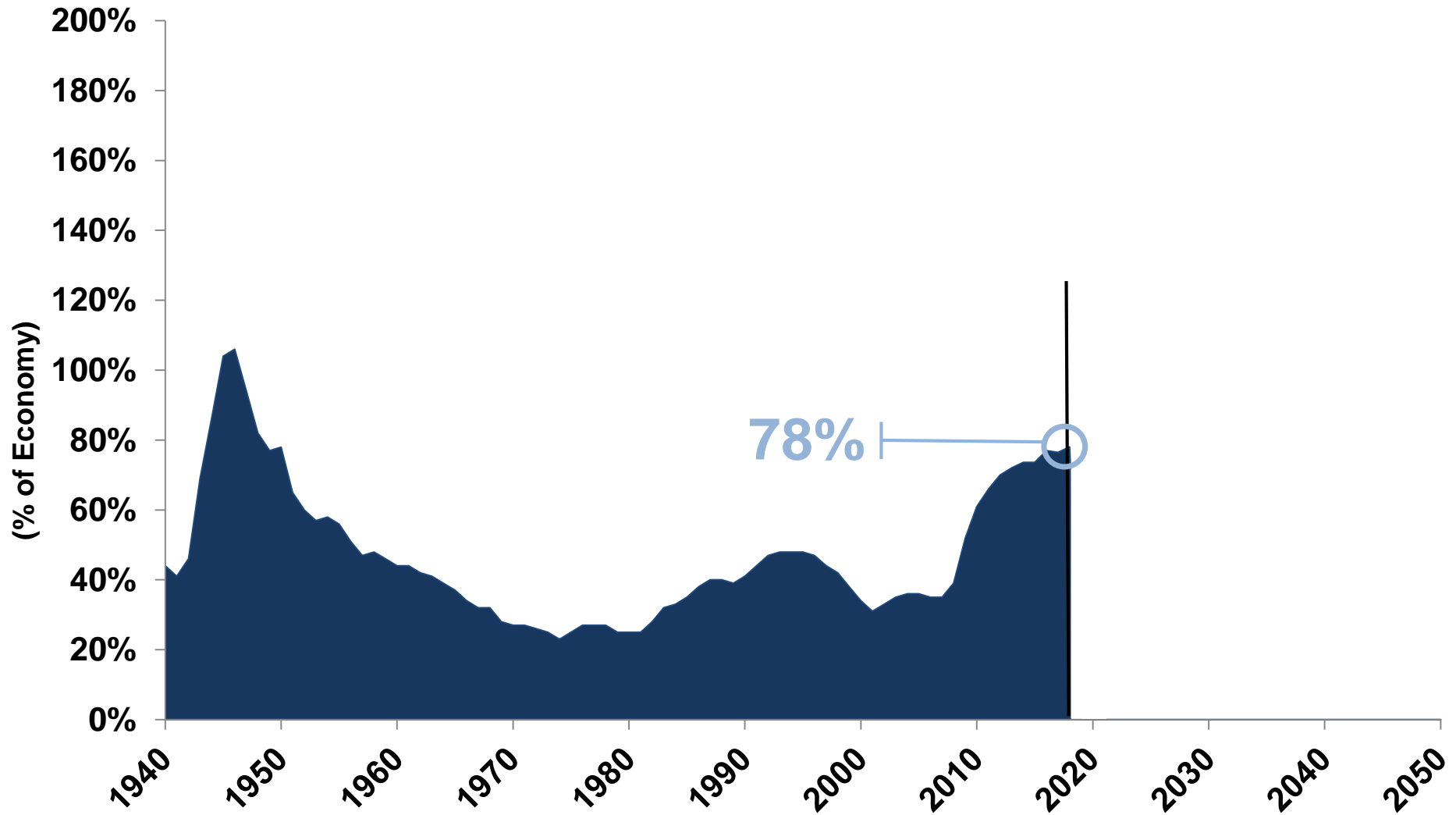


TRILLION DOLLAR DEFICITS RETURN BY 2020



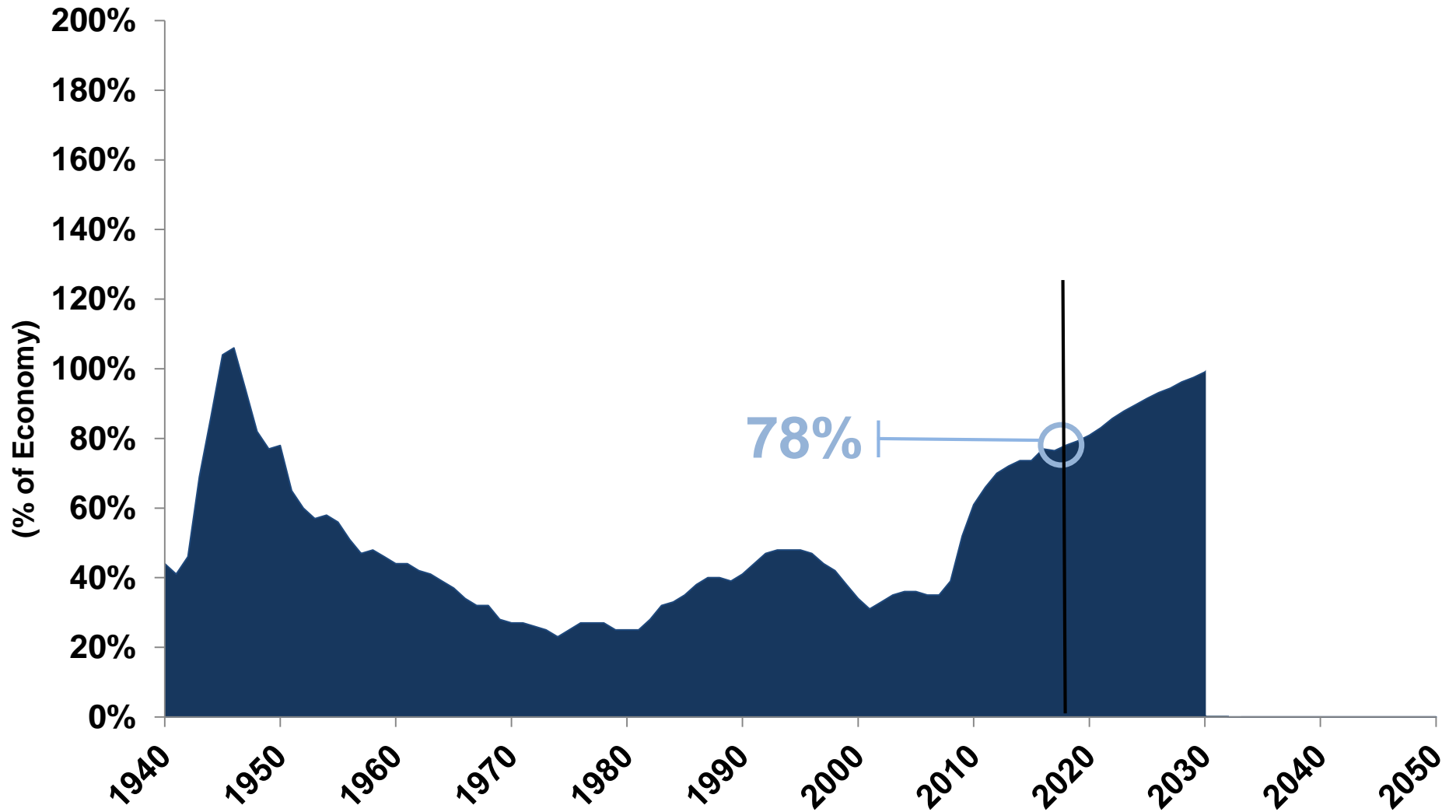
IN 2018...

OUR DEBT WILL EQUAL **78%** OF GDP



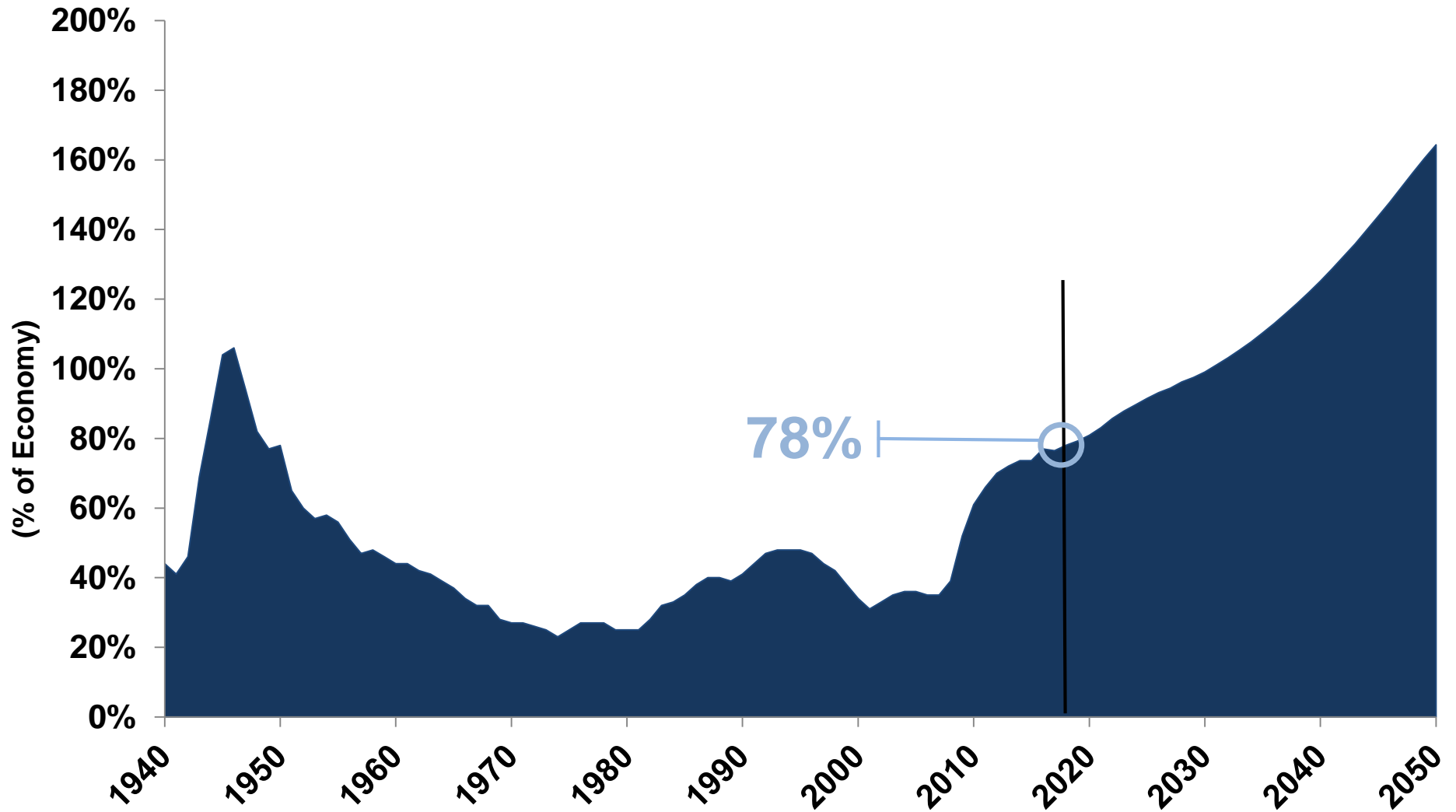
BY 2030...

IT WILL RISE TO **100%**



AFTER 2030...

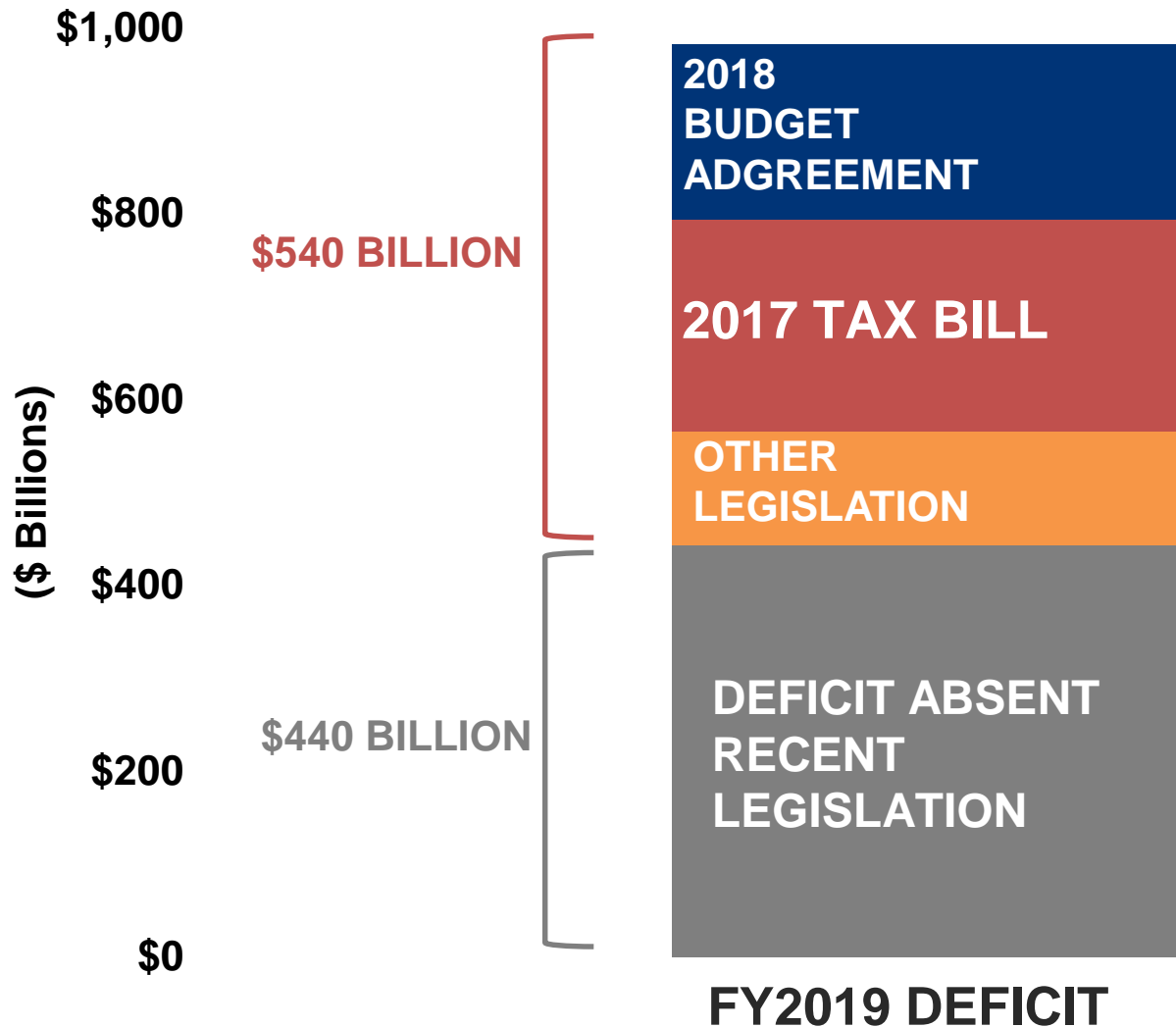
IT WILL CONTINUE RISING



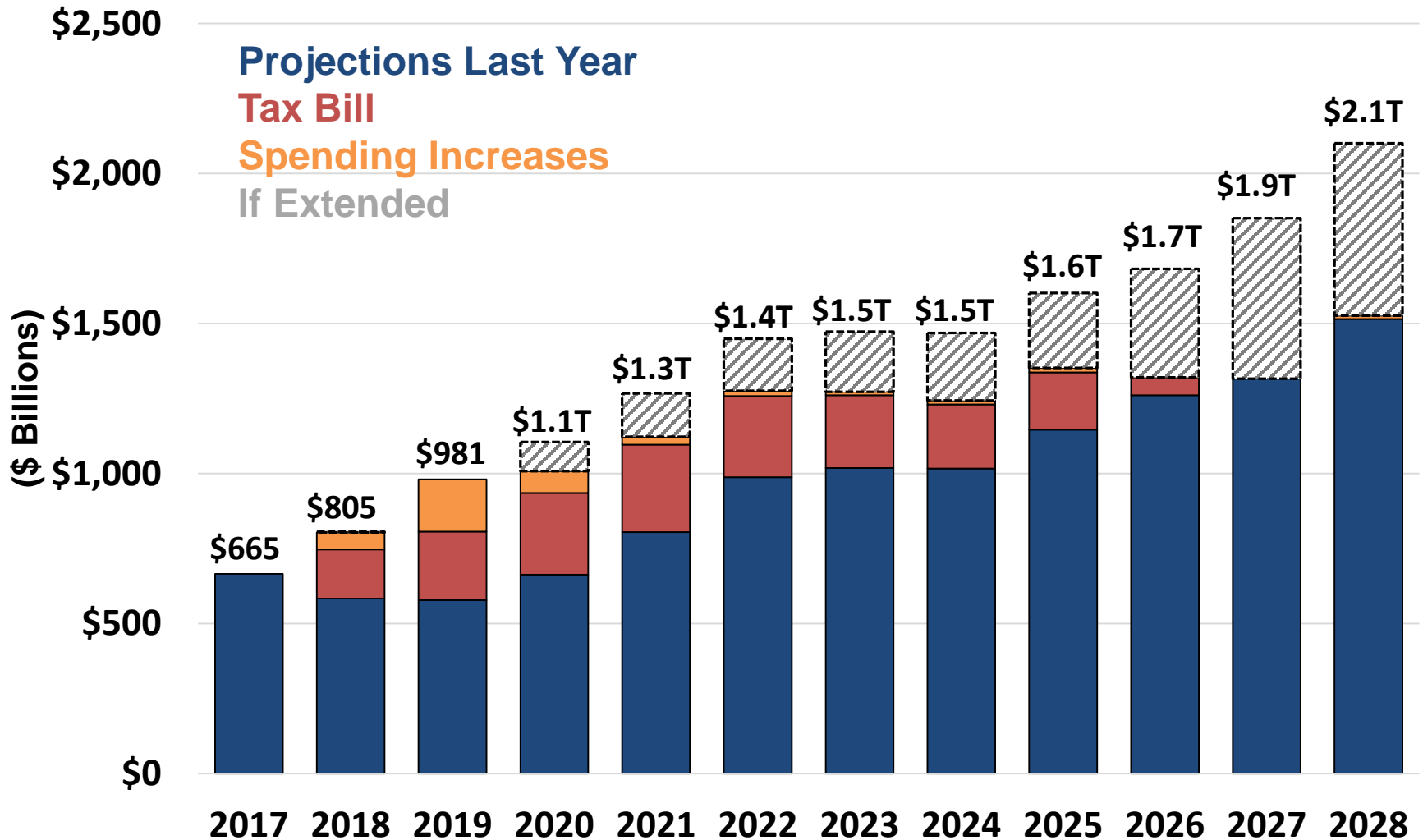
WHAT IS DRIVING

OUR DEBT PROBLEMS?

55% OF NEXT YEAR'S DEFICIT IS DUE TO RECENT LEGISLATION



DEFICITS COULD GET WORSE



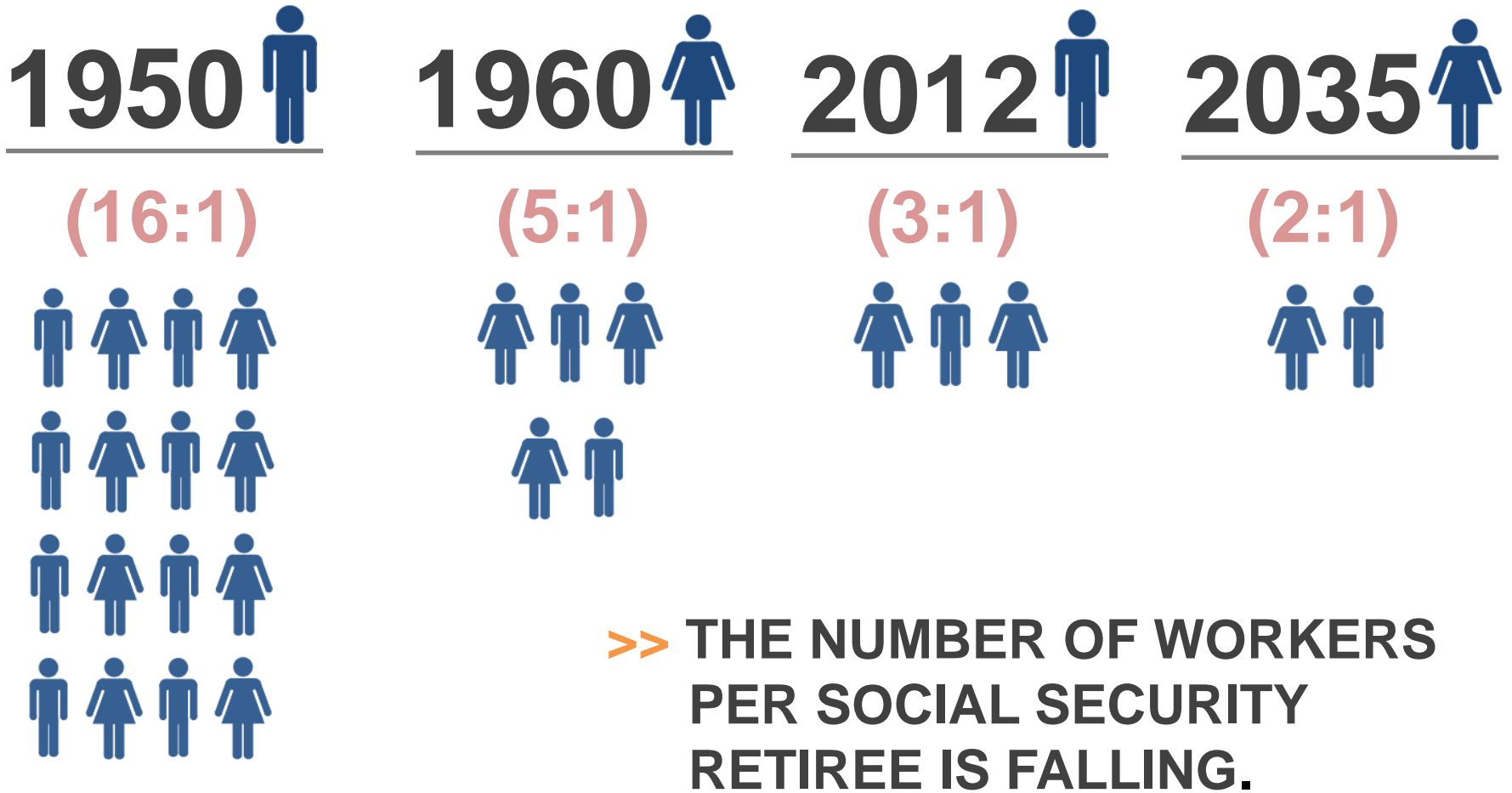
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WHAT WILL CAUSE OUR FUTURE DEBT TO RISE?

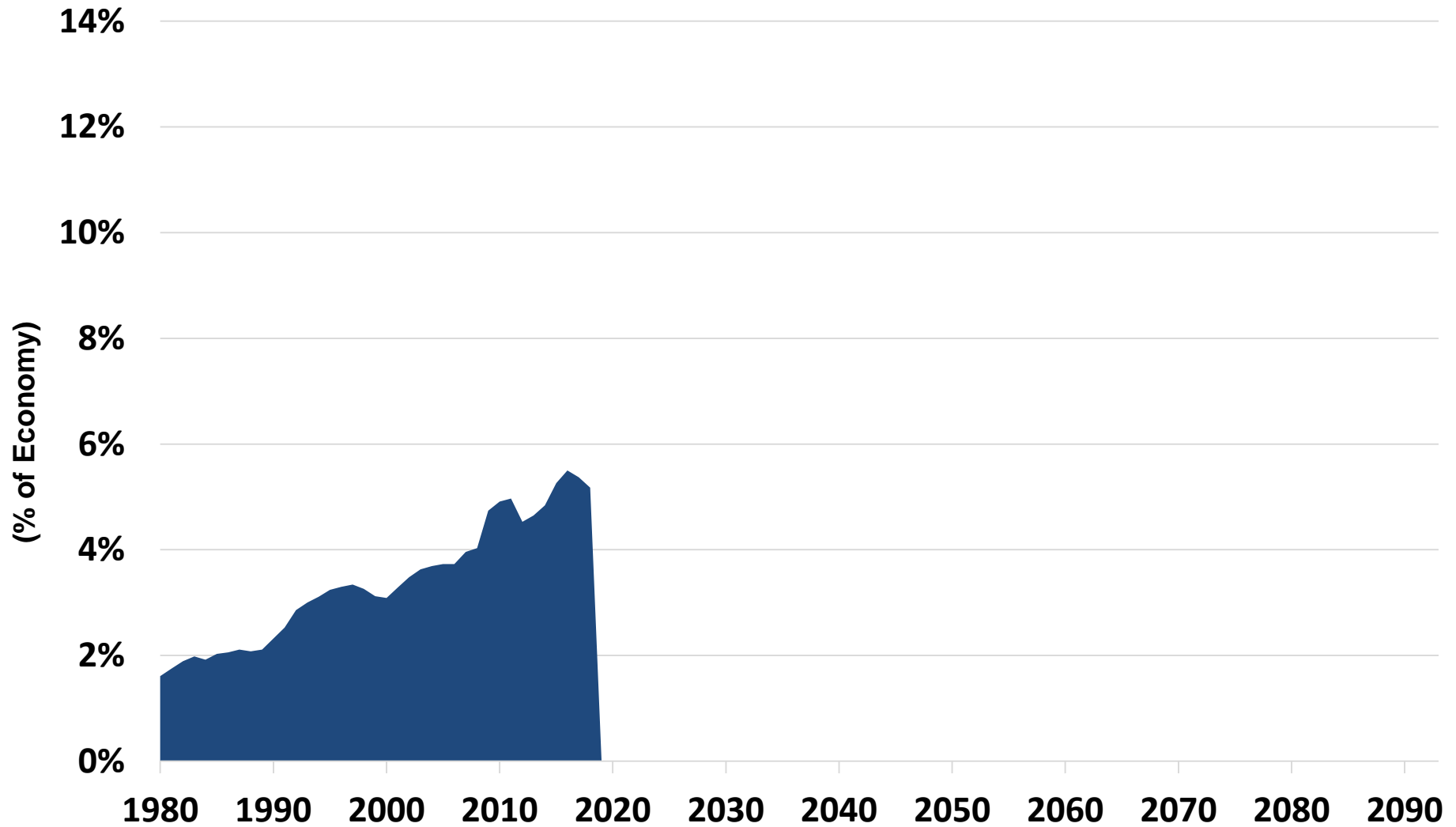
- **AN AGING POPULATION**
- **GROWING HEALTH CARE COSTS**
- **RISING INTEREST COSTS**
- **INSUFFICIENT REVENUE**

A large, light blue letter 'A' is positioned on the right side of the slide. To its right, there are two small light blue squares, one above and one below the letter.

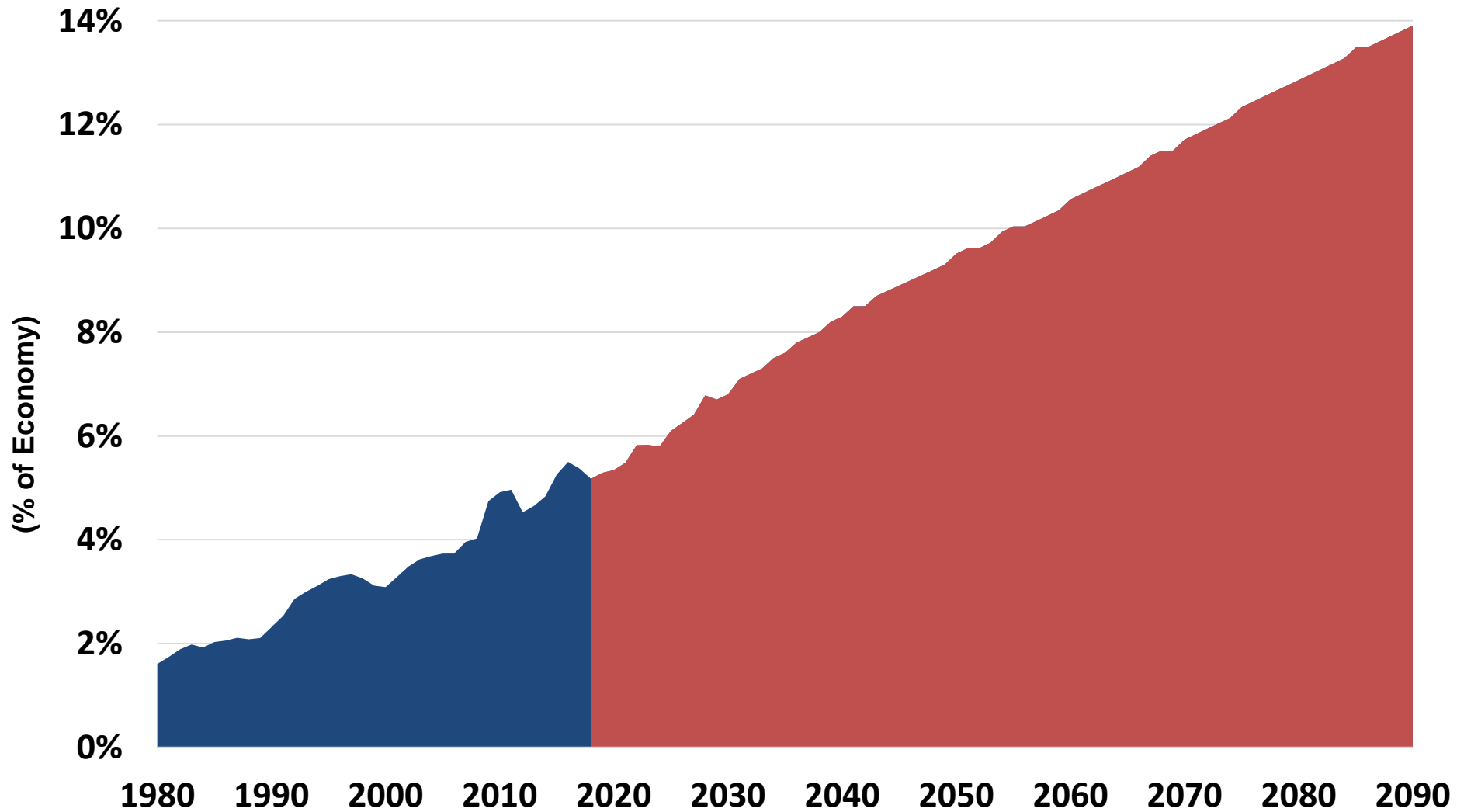
THE POPULATION IS AGING



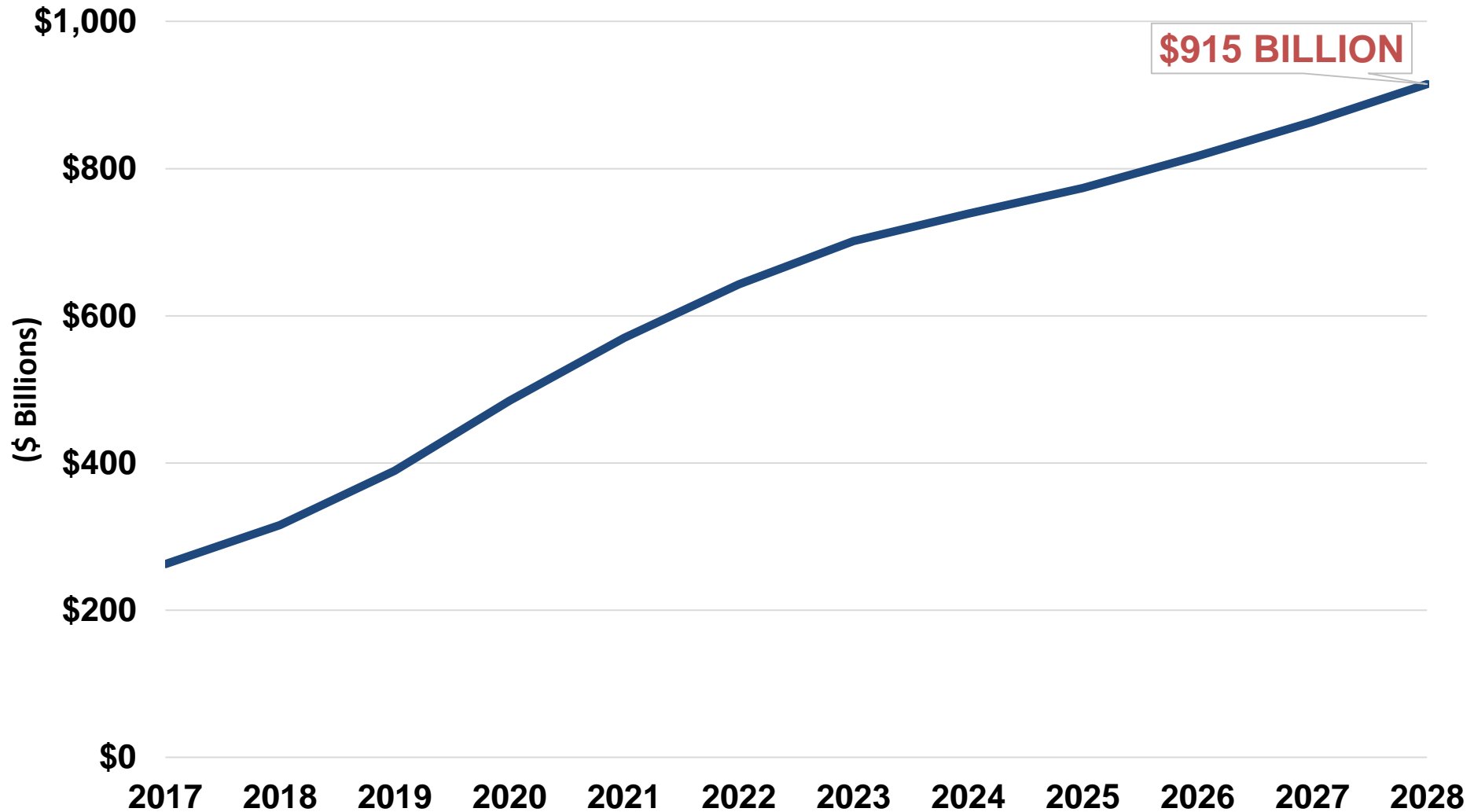
HEALTH CARE COSTS ARE GROWING



HEALTH CARE COSTS ARE GROWING



INTEREST SPENDING WILL APPROACH **\$1 TRILLION**

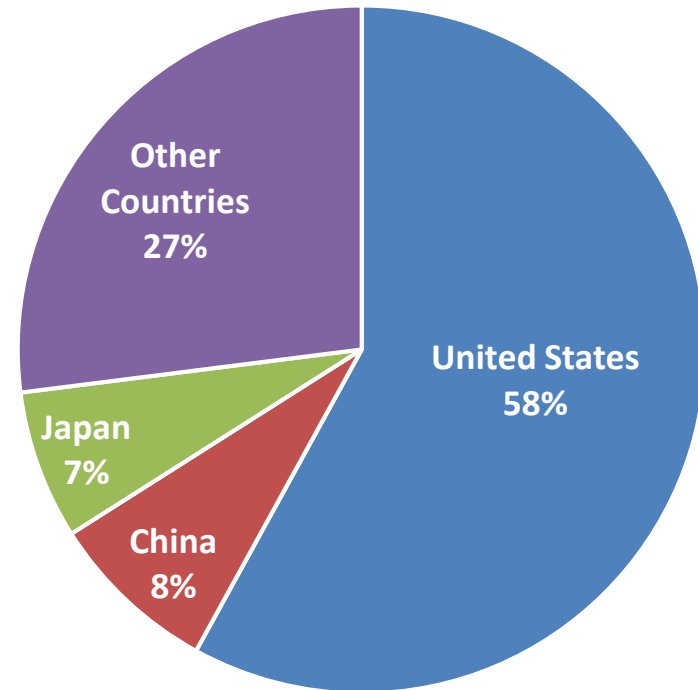


\$915 BILLION

ALMOST HALF OF INTEREST GOES OVERSEAS

IN 2018, WE WILL SPEND **\$316 BILLION**
ON INTEREST.

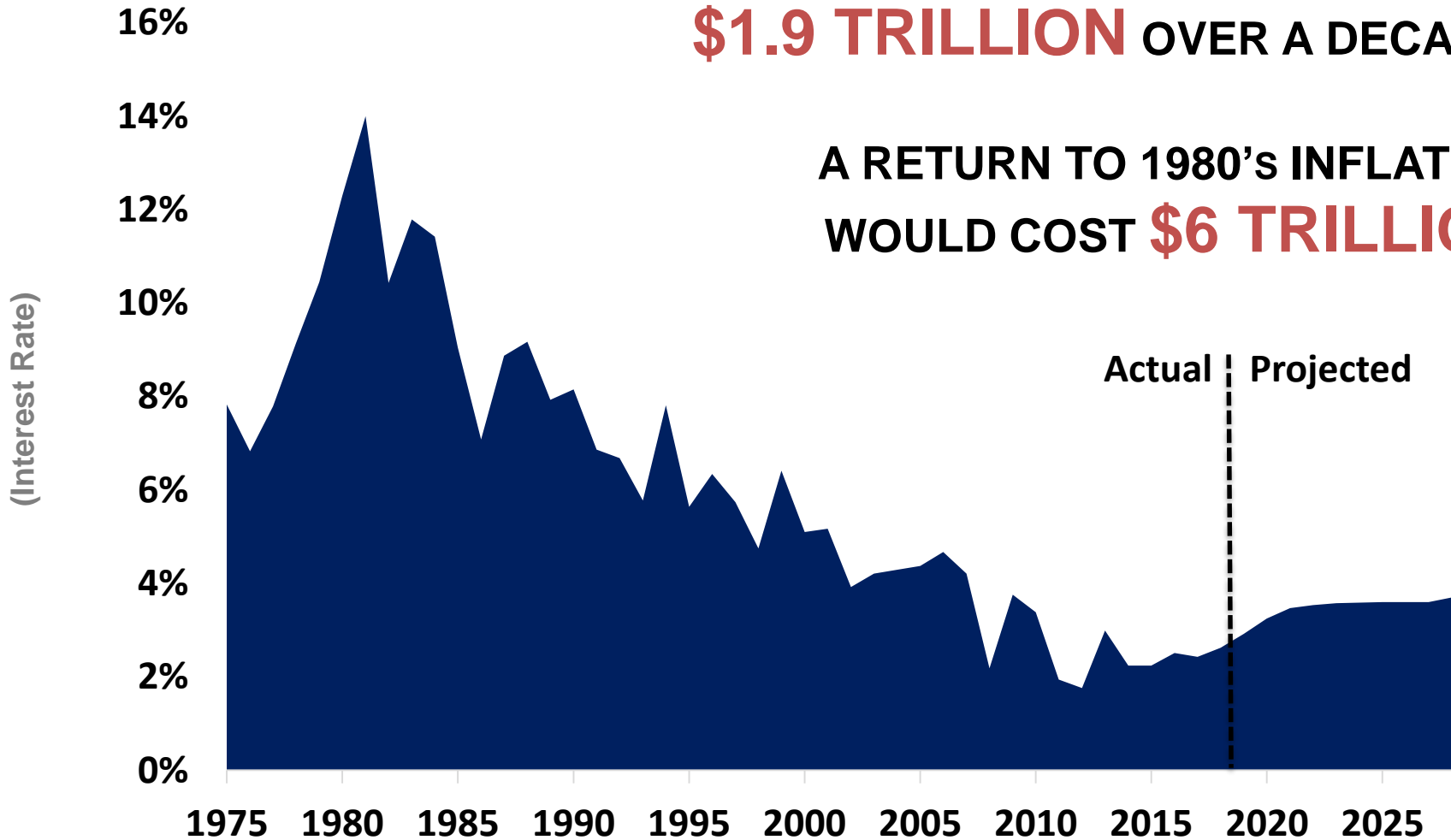
HALF OF OUR DEBT IS
OWNED BY AMERICANS.



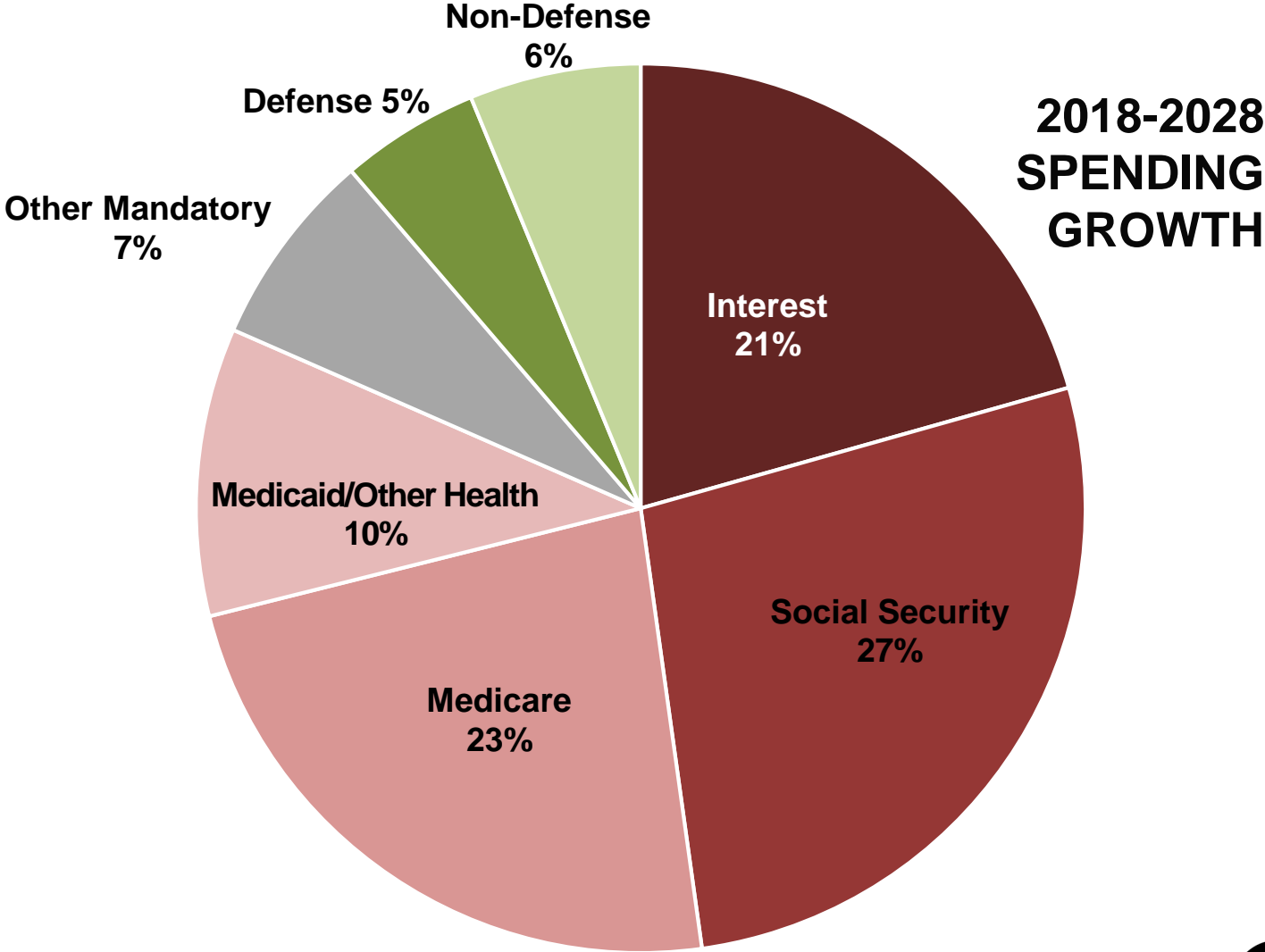
INTEREST RATES ARE LOW

A 1% INCREASE WOULD COST
\$1.9 TRILLION OVER A DECADE.

A RETURN TO 1980's INFLATION
WOULD COST **\$6 TRILLION**



SOCIAL SECURITY, HEALTH CARE, AND INTEREST EXPLAIN 82% OF SPENDING GROWTH



Source: CRFB calculations based on Congressional Budget Office data

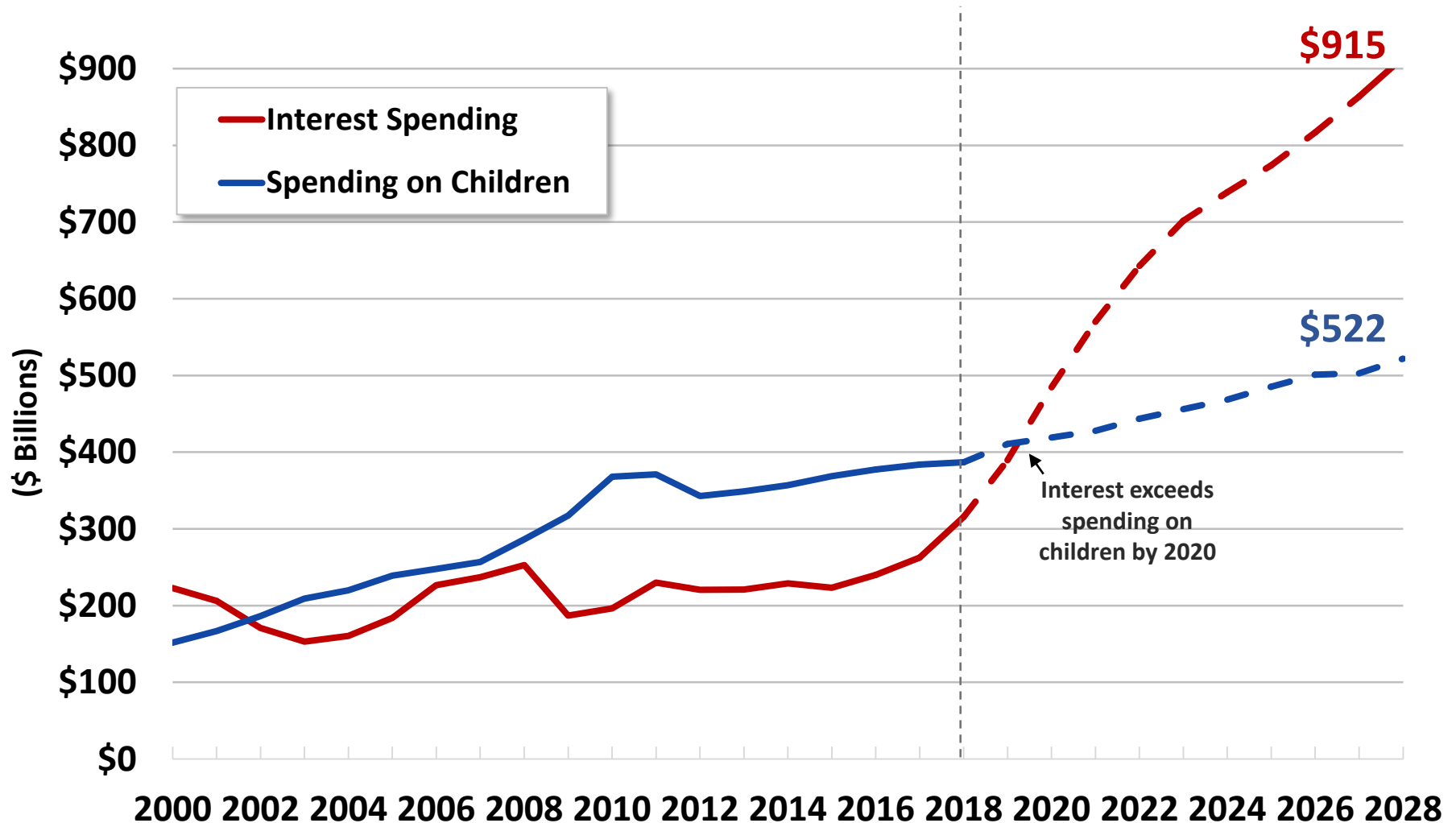


WHAT ARE THE CONSEQUENCES OF NOT TAKING ACTION?

- **SLOWER WAGE GROWTH**
- **DECREASED BUDGET FLEXIBILITY**
- **UNPREPARED FOR A FUTURE WAR OR RECESSION**
- **HIGHER EXPOSURE TO CHANGES IN INTEREST RATES**
- **INCREASED RISK OF A FISCAL CRISIS**
- **DECREASED PRIVATE SECTOR INVESTMENTS**
- **INCREASED LIKELIHOOD OF ENTITLEMENT INSOLVENCY**



SOON WE'LL SPEND MORE ON THE PAST THAN THE FUTURE



A FRAMEWORK FOR FIXING THE DEBT

- **STOP DIGGING** THE HOLE DEEPER
- **FIX** THE TAX BILL
- **DETERMINE** THE RIGHT SIZE FOR DEFENSE & NON-DEFENSE SPENDING
- **MAKE** SOCIAL SECURITY SOLVENT
- **SLOW** HEALTH CARE COST GROWTH
- **CUT** OTHER SPENDING WHERE POSSIBLE
- **RAISE** MORE REVENUE
- **GROW** THE ECONOMY

THE LONGER WE WAIT...

...THE **OLDER** OUR POPULATION GETS

...THE **HIGHER** DEBT WILL RISE

...THE **LESS TIME** WE HAVE TO PHASE IN CHANGES

...THE **SLOWER** OUR ECONOMY WILL GROW

...AND THE **FEWER** TOOLS WE WILL HAVE TO FIX IT

THE DEBT IS A SYMPTOM OF A BROKEN SYSTEM...

...**AVOIDS** TOUGH CHOICES

...CANNOT ACHIEVE **COMPROMISE**

...FOCUSES ON **SHORT TERM** VS LONG TERM

...REWARDS **PARTISANSHIP** OVER PROGRESS

Q

**HAVE THE PROBLEMS IN
AMERICA'S POLITICS
REACHED A DANGEROUS
LOW POINT?**

A

Q

**HAVE THE PROBLEMS IN
AMERICA'S POLITICS
REACHED A DANGEROUS
LOW POINT?**

**71% BELIEVE WE HAVE REACHED A
LOW POINT, VS 29% SIMILAR TO MOST
PERIODS OF DISAGREEMENT
(WASHING POST/UNIV OF MD)**

A

Q

**HAVE THE PROBLEMS IN
AMERICA'S POLITICS
REACHED A DANGEROUS
LOW POINT?**

**87% POLITICAL POLARIZATION
THREATENS THE AMERICAN WAY OF
LIFE (AP/NORC)**

A

Q

**HAVE THE PROBLEMS IN
AMERICA'S POLITICS
REACHED A DANGEROUS
LOW POINT?**

7 IN 10 AMERICANS FEAR THE UNITED
STATES IS LOSING ITS NATIONAL
IDENTITY (AP/NORC)

A

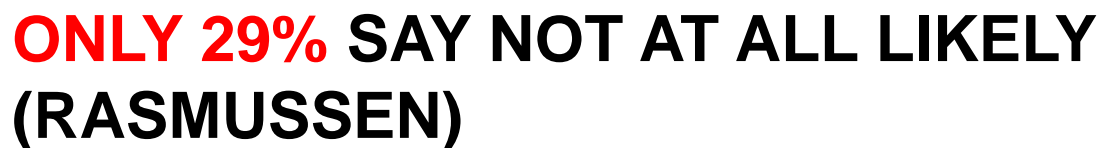
A large, light pink letter 'Q' is positioned on the left side of the slide, serving as a visual cue for the question.Two small pink squares are located to the left of the question text, one above and one below the first line.

**HAVE THE PROBLEMS IN
AMERICA'S POLITICS
REACHED A DANGEROUS
LOW POINT?**

**78 % BELIEVE BOTH PARTIES WORKING
TOGETHER IS A VERY IMPORTANT VALUE IN
OUR DEMOCRACY**

**19% BELIEVE DO VERY/SOMEWHAT WELL
(PEW RESEARCH CENTER)**

A large, light blue letter 'A' is positioned on the right side of the slide, serving as a visual cue for the answer.Two small blue squares are located to the right of the answer text, one above and one below the first line.

A large, light pink letter 'Q' is positioned on the left side of the slide, partially overlapping the question text.The question text is in bold black font, with two small pink squares to its left. The text reads: **HAVE THE PROBLEMS IN AMERICA'S POLITICS REACHED A DANGEROUS LOW POINT?**The answer text is in bold black font, with a large blue letter 'A' to its right. The text reads: **31% VOTERS SAY LIKELY THE UNITED STATES WILL EXPERIENCE A SECOND CIVIL WAR SOMETIME IN THE NEXT FIVE YEARS**The answer text is in bold black font, with a large blue letter 'A' to its right. The text reads: **ONLY 29% SAY NOT AT ALL LIKELY (RASMUSSEN)**

WE FACE A DEFICIT OF TRUST...

...**LACK OF CONFIDENCE** IN CONGRESS, MEDIA & INSTITUTIONS

...71% BELIEVE THE “**ECONOMIC SYSTEM IN THE U.S. IS RIGGED** IN FAVOR OF CERTAIN GROUPS” (MARKETPLACE AND EDISON)

...ONLY 30% OF MILLENNIAL GENERATION BELIEVE **ESSENTIAL TO LIVE IN A DEMOCRACY** (MOUNK)

...61% SAY “**SIGNIFICANT CHANGES**” **NEEDED** IN THE “DESIGN AND STRUCTURE” OF POLITICAL SYSTEM TO MAKE IT WORK FOR CURRENT TIMES (PEW)

...61% SAY **NEITHER PARTY REPRESENTS** THEIR VIEWS ANYMORE (PRRI)

We must Come Together to Fix the Debt

We Want Your Input

- **What will it take for Washington to rebuild trust from the American people?**
- **What is driving our partisan divide, and what will it take to fix it?**
- **How can we make progress on the Debt?**

Q


WHAT CAN YOU DO?

GET INVOLVED AND ASK
YOUR REPRESENTATIVE &
CANDIDATES TO **MAKE THE**
DEBT A TOP ISSUE.

A

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HOW CAN YOU MAKE A DIFFERENCE?

- **USE SOCIAL MEDIA – TELL FRIENDS AND COLLEAGUES ABOUT THE PROBLEM.**
 - **WRITE AN OP-ED OR LETTER TO THE EDITOR**
 - **HOST AN EVENT**
 - **FIND OUT HOW YOU CAN HELP GIVE THIS PRESENTATION BY CONTACTING US.**
- 
- A large, light blue letter 'A' is positioned on the right side of the slide, partially overlapping the list items. To its right, there are two smaller light blue squares, one above and one below the main text area.

A large, light pink letter 'Q' is positioned on the left side of the slide. To its right, there are two smaller, light pink squares stacked vertically.

HOW CAN YOU JOIN OUR EFFORTS?

- TEXT FIX to 345345
- EMAIL info@FixTheDebt.org WITH THE SUBJECT “JOIN”
- USE THE SIGN IN SHEET TO BE ADDED TO OUR LIST
- GO TO www.FixTheDebt.org AND SIGN UP

A large, light blue letter 'A' is positioned on the right side of the slide. To its right, there are two smaller, light blue squares stacked vertically.

ABOUT THE CAMPAIGN TO FIX THE DEBT

The Campaign to Fix the Debt Fix is a nonpartisan organization focused on educating the country about the need for fiscal reforms and supporting a grand bargain to put the debt on a sustainable path.

The campaign includes leaders from every sector, former elected and appointed local, state and federal officials, and visionary political, community and business leaders.

Fix the Debt has an important engagement role, convening groups of committed individuals at the state and local level who – individually and collectively – can influence elected officials, candidates for public office and federal policies.



Join www.fixthedebt.org