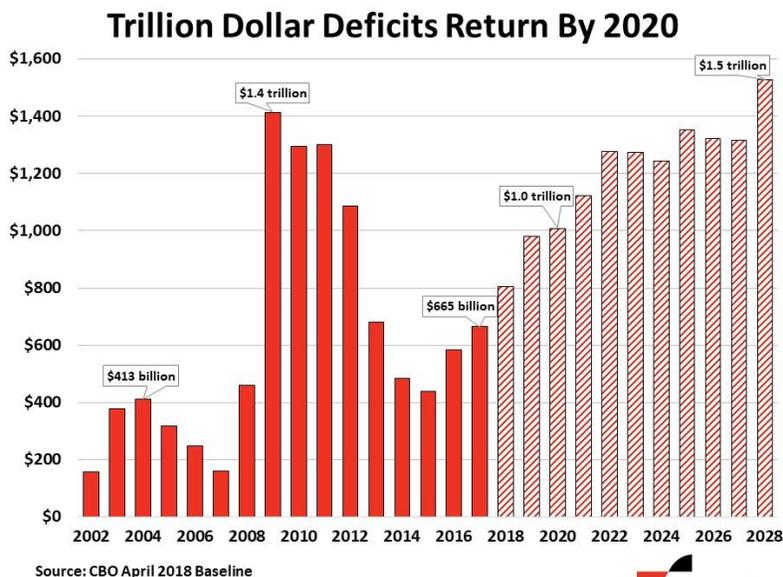


What the Latest Budget Numbers Mean

The latest official numbers, including the [budget and economic forecast](#) for the next decade as well as the [long-term budget outlook](#) for the next 30 years from the nonpartisan Congressional Budget Office (CBO), show national debt rising well past historical norms and warns of serious consequences. Here are the key figures and what they mean.



Budget Deficits Will Rise Substantially Over the Next Decade

- The fiscal year 2018 budget deficit was \$779 billion, \$113 billion higher than last year. And it will be near \$1 trillion next year.
- Trillion-dollar deficits as far as the eye can see will arrive by 2020.
- Deficits will rise substantially in the next decade from 3.5 percent of the economy in 2017 to just over 5 percent by 2028.

National Debt Will Continue to Grow Towards Record Levels

- Debt held by the public, which excludes what the federal government owes itself, will grow by over \$13 trillion over the next decade, reaching nearly \$29 trillion in 2028.
- National debt will exceed the size of the U.S. economy by 2031 and surpass the all-time record by 2034, growing from 78 percent of GDP this year to 107 percent in 2034. That is more than twice the 50-year debt average.
- If tax cuts and spending increases currently set to expire are continued, national debt will exceed the size of the economy by 2027 and hit a new record by 2029, according to [calculations from the Committee for a Responsible Federal Budget](#).
- The growth in the debt going forward will be largely driven by rising health costs and an aging population.
- Interest on the debt is the fastest growing part of the federal budget. It will nearly triple from \$316 billion in 2018 to \$915 billion in 2028.

The Consequences of Rising Debt Are High

- CBO warns that “high and rising debt would have serious negative consequences for the budget and the nation.”
- This will include lower wages, reduced flexibility to respond to unexpected challenges like a recession, and increased likelihood of a fiscal crisis.