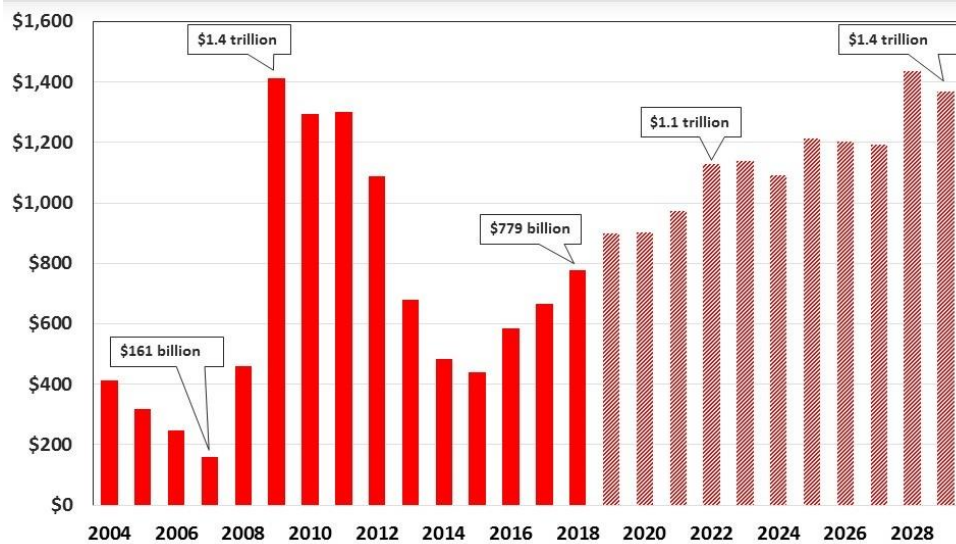


## What the Latest Budget Numbers Mean

The latest official numbers, including the [budget and economic forecast](#) for the next decade 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.

### Deficits Exceed \$1 Trillion Starting in 2022



Source: CBO January 2019 baseline



### Budget Deficits Will Soar Over the Next Decade

- The fiscal year 2018 budget deficit was \$779 billion, \$113 billion higher than the previous year. And it will be near \$900 billion this year.
- Trillion-dollar deficits as far as the eye can see will arrive by 2022.
- If spending increases and tax cuts currently set to expire are continued, trillion-dollar deficits will start next year.

### National Debt Will Continue to Grow Towards Record Levels

- National debt held by the public, which excludes what the federal government owes itself, will grow by more than \$12 trillion over the next decade, reaching nearly \$29 trillion in 2029, equal to 93 percent of the economy.
- Debt will tie the all-time record of 106 percent of the economy by 2035.
- If current tax cuts and spending increases are extended, debt will likely eclipse the record by 2030.
- 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 more than double from \$383 billion in 2019 to \$928 billion in 2029.

### The Consequences of Rising Debt Are Severe

- CBO warns, "Such high and rising debt would have significant negative consequences, both for the economy and for the federal budget."
- This will include lower wages, reduced flexibility to respond to unexpected challenges like a recession, and increased likelihood of a fiscal crisis.