



SOUNDING THE ALARM

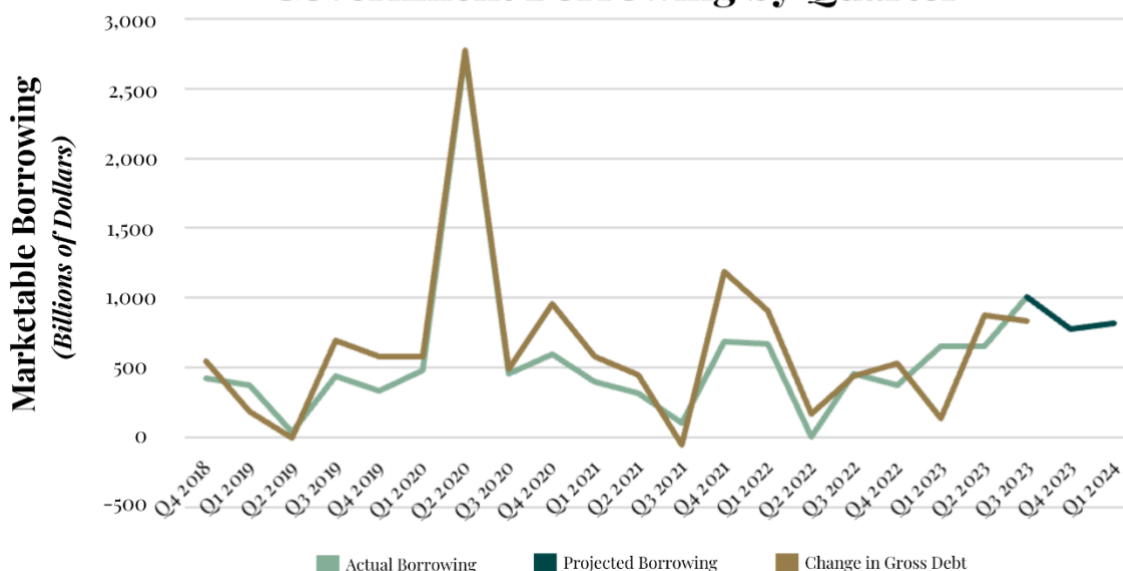
TREASURY BORROWING BLITZ: Treasury Rolls Out \$776 Billion Borrowing Announcement

Earlier this week, the Treasury Department [announced](#) its marketable borrowing estimates, providing information on new borrowing during the last quarter as well as estimates for borrowing for the next two quarters:

- **\$776 billion** in new borrowing during the fourth quarter of 2023.
- **\$816 billion** in new borrowing during the first quarter of 2024.
- Actual borrowing in the third quarter of 2023 was **\$1.01 trillion**, the second highest borrowing total for a single quarter in U.S. history.

Since President Biden took office, the Treasury has borrowed **\$6.12 trillion**, almost identical to the \$6.05 trillion increase in the gross federal debt over the same period.

*Comparing Changes in Gross Debt to
Government Borrowing by Quarter*



However, the pace of government borrowing has rapidly accelerated over recent quarters with current borrowing estimates over the next two quarters significantly higher than non-COVID era borrowing. Over the next two quarters, Treasury projects **\$1.6 trillion** in new borrowing, more than it borrowed in all of 2019 (\$1.2 trillion), 2021 (\$1.5 trillion), and 2022 (\$1.5 trillion).

While a portion of the recent borrowing increase was due to Treasury's effort to refill its cash balances, which were depleted during the debt ceiling negotiations earlier this year, this is not the reason for future borrowing. As shown below, Treasury's cash balances now exceed \$800 billion – and it expects to maintain this level. The large borrowing estimates in future quarters are solely due to projected spending significantly outpacing tax revenues.

Following Debt ceiling Negotiation **Treasury Cash Balances Have Recovered**



This surge in government borrowing is especially concerning given the recent spike in [interest rates](#), with the 10-year treasury yield reaching 5 percent.

Comparatively, when President Biden took office, interest rates were projected to be just 1.5 percent in 2023. With record-high debt levels and high interest rates, borrowing costs for the government will continue to crowd-out important government functions.

Our unprecedented, almost incomprehensible, **\$33.7 trillion national debt** has eclipsed the size of our economy. Every person in America today owes over \$100,000. Under the Biden administration we have been forced to borrow over \$68,000 **every second** just to cover our expenses. With that rate of spending it's no wonder we had a deficit of \$1.7 trillion last year.

We need to **Sound the Alarm** and have a candid conversation with the American people. This vicious cycle of deficit spending, ever-growing borrowing, and a ballooning federal debt will decimate hardworking families, wipe out job creators, and jeopardize America's leadership in the world.

The more Americans understand about how reckless spending and unsustainable national debt impacts their families, their livelihoods, and the world they live in, the faster we can begin to take collective action to save America.

