GOVERNMENT SPENDING

Spending as a Share of the Economy

Source: CBO

Path to Prosperity vs. Current Path from 2015 to 2024.

- Path to Prosperity:
  - 2015: 17%
  - 2016: 17%
  - 2017: 17%
  - 2018: 17%
  - 2019: 17%
  - 2020: 17%
  - 2021: 17%
  - 2022: 17%
  - 2023: 17%
  - 2024: 17%

- Current Path:
  - 2015: 21%
  - 2016: 21%
  - 2017: 21%
  - 2018: 21%
  - 2019: 21%
  - 2020: 21%
  - 2021: 21%
  - 2022: 21%
  - 2023: 22%
  - 2024: 22%

Source: CBO
TOTAL SPENDING
Spending as a Share of the Economy

Historical
Path to Prosperity
Alternative Fiscal Scenario

Source: OMB/CBO
A BALANCED BUDGET

Federal Deficit/Surplus in 2024 (in Billions of Dollars)

- President's Budget: Deficit $434 Billion
- Path to Prosperity: Surplus $5 Billion

The President’s budget never balances—ever.

Source: CBO/OMB
A CHOICE OF TWO FUTURES

U.S. Debt Held by Public as a Share of the Economy

WORLD WAR II

CURRENT PATH

PATH TO PROSPERITY

Source: OMB/CBO
DEFENSE SPENDING IS A DECLINING SHARE OF FEDERAL SPENDING

1962
- Non-Defense: 49%
- Defense: 6%
- Net Interest: 45%

2013
- Non-Defense: 75%
- Defense: 18%
- Net Interest: 6%

2024 (Current Policy)
- Non-Defense: 76%
- Defense: 14%
- Net Interest: 9%

Ten years from now, defense will fall below 10 percent of the federal budget.

Source: OMB/CBO
HIGHER RATES DON’T MEAN HIGHER REVENUE

As a Share of the Economy

Source: OMB/Tax Foundation
WHO OWNS OUR DEBT?

Debt held by Public, 1970-2013

- **1970**
  - Foreign Holdings: 6%
  - Debt Held: $283 Billion

- **1990**
  - Foreign Holdings: 19%
  - Debt Held: $2.4 Trillion

- **2013**
  - Foreign Holdings: 47%
  - Debt Held: $12.3 Trillion

Source: Department of Treasury
CRUSHING BURDEN OF DEBT

U.S. Debt Held by Public as a Share of the Economy

Source: OMB/CBO
WHAT DRIVES OUR DEBT?
Government Spending as a Share of the Economy

Source: CBO
TOTAL SPENDING IN FY2013 = $3.45 TRILLION

Source: CBO

**AUTOPILOT SPENDING**
- Social Security: $808
- Medicare: $492
- Medicaid: $265
- Interest: $221
- Other Mandatory: $467

**DISCRETIONARY SPENDING**
- Non-Defense Discretionary: $576
- Defense: $625
SPENDING IS THE PROBLEM
Historical/Projected Spending & Revenue as a Share of the Economy

Source: OMB/CBO
FAMILY BUDGET VS. FEDERAL BUDGET

Average annual growth of median income and government spending under the President’s budget, 2014-2024

Source: WSJ economic forecasting survey, October 2011/OMB
# BUDGETS VS. CURRENT POLICY

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<tr>
<th></th>
<th>House Budget</th>
<th>Progressive Caucus</th>
<th>Black Caucus</th>
<th>Van Hollen</th>
<th>President’s Budget</th>
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All comparisons relative to current policy as estimated by the House Budget Committee.

Authorized by Chairman Paul Ryan, House Budget Committee