



The Campaign to Fix the Debt Now That We've "Fixed" the Debt...

Over the last month, many political commentators – and Members of Congress and Administration officials – have looked at rosier-than-expected near-term projections of swiftly-declining deficits and have declared victory over the national debt. But what has really changed to cause such a dramatic change in thinking? The answer: not much.

CHAIRMEN

MICHAEL BLOOMBERG

JUDD GREGG

EDWARD RENDELL

FOUNDERS

ERSKINE BOWLES

AL SIMPSON

STEERING COMMITTEE

PHIL BREDESEN

KENT CONRAD

DAVID COTE

PETE DOMENICI

VIC FAZIO

JAMES B. LEE, JR.

JIM MCCRERY

SAM NUNN

JIM NUSSLE

MICHAEL PETERSON

STEVEN RATTNER

ALICE RIVLIN

SCOTT SMITH

MARGARET SPELLINGS

ANTONIO VILLARAIGOSA

TIM WIRTH

ROBERT ZOELLICK

Before We "Fixed" the Debt (April 2012 – April 2013 Projections)

Deficit reduction needed to put the debt on a clear downward path: **\$2.4 trillion**

The national debt is set to hit **79%** of GDP by **2023**

In 20 years, the debt-to-GDP ratio is projected to be **97%**; in 30 years, it will be **124%**

Projected interest on the debt paid in 2023: **\$881 billion**

In 20 years, we will be spending **\$1.9 trillion** in interest on the debt; in 30 years, it will be **\$3.7 trillion**

Social Security Trust Fund will be exhausted in **2033**, requiring a **25%** across-the-board cut

The Medicare Hospital Insurance trust fund will be exhausted in **2024**

Total deficits in 2014-2023: **\$7.4 trillion**

Deficit in 2023: **\$1.02 trillion**

The Social Security Disability Insurance program will be insolvent in **2016**, requiring a **20%** automatic benefit cut

Percentage of federal spending that will be made up of mandatory spending and interest on the debt in 2023: **76.2%**

Now That We've "Fixed" the Debt (Current Projections)

Deficit reduction needed to put the debt on a clear downward path: **\$2.2 trillion**

The national debt is set to hit **75%** of GDP by **2023**

In 20 years, the debt-to-GDP ratio is projected to be **91%**; in 30 years, it will be **116%**

Projected interest on the debt paid in 2023: **\$843 billion**

In 20 years, we will be spending **\$1.8 trillion** in interest on the debt; in 30 years, it will be **\$3.5 trillion**

Social Security Trust Fund will be exhausted in **2033**, requiring a **23%** across-the-board cut

The Medicare Hospital Insurance trust fund will be exhausted in **2026**

Total deficits in 2014-2023: **\$6.8 trillion**

Deficit in 2023: **\$0.94 trillion**

The Social Security Disability Insurance program will be insolvent in **2016**, requiring a **20%** automatic benefit cut

Percentage of federal spending that will be made up of mandatory spending and interest on the debt in 2023: **76.7%**

Sources: Data is from the Committee for a Responsible Federal Budget (based on Congressional Budget Office data) and the Social Security and Medicare Trustees .