

# NATIONAL DEBT

IMPACTS IMPORTANT ISSUES FACING AMERICA



## AS CONGRESS AND A NEW ADMINISTRATION EXPLORE MAJOR REFORMS, THE NATIONAL DEBT IS THE ONE ISSUE THAT AFFECTS ALL OTHERS.

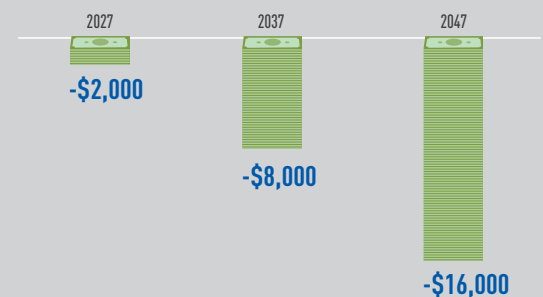
At \$19 trillion and growing, the national debt threatens our economy and weakens our ability to address our most important budget priorities. The debt is already at its highest level since 1950 and in just over a decade, interest on the national debt will be our third largest federal “program.” America’s rising debt must be a central part of the 2017 policy discussion, because addressing it is essential for us to meet the most pressing challenges of a changing economy.

### ECONOMIC GROWTH

“Large and growing federal debt . . . would hurt the economy and constrain future budget policy.”  
—CONGRESSIONAL BUDGET OFFICE

#### GROWING FEDERAL DEBT HAS A DIRECT IMPACT ON FAMILY INCOMES.

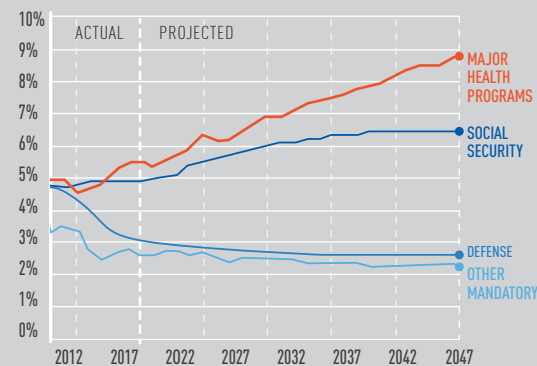
INCOME LOSS FOR A 4-PERSON FAMILY, ON AVERAGE (2017 DOLLARS)



### HEALTHCARE

Healthcare is the major driver of projected growth in spending over the long-term.

#### FEDERAL SPENDING (% OF GDP)

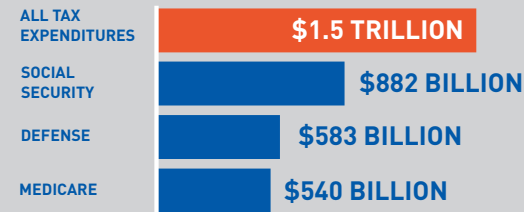


### TAX REFORM

- GOALS:**
- Promote economic growth
  - Reduce complexity
  - Increase transparency and fairness
  - Improve our fiscal outlook

Many economists recommend eliminating some or all tax expenditures — or tax breaks — which total more than we spend on Social Security, Defense, or Medicare.

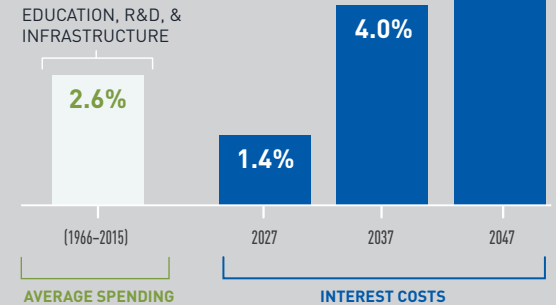
#### BUDGETARY COST IN 2015 (BILLIONS OF DOLLARS)



### INVESTMENTS IN OUR FUTURE

The **interest on our debt** is crowding out key investments in our economy—such as spending on education, R&D, and infrastructure.

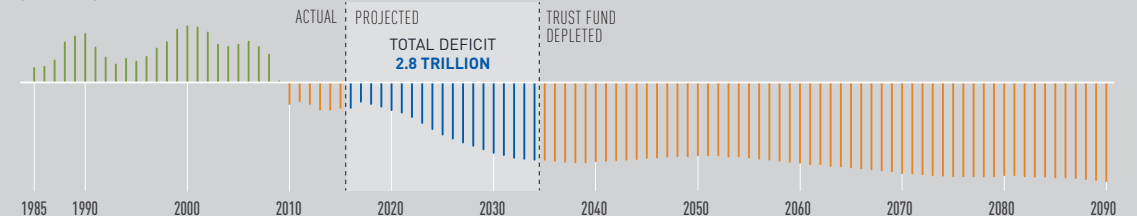
#### FEDERAL SPENDING (% OF GDP)



### SOCIAL SECURITY

The Social Security trust funds will be depleted by 2034.

#### SOCIAL SECURITY SURPLUSES/DEFICITS (% OF GDP)



### NATIONAL SECURITY

“The single biggest threat to our national security is our debt.”

—ADMIRAL MIKE MULLEN, FORMER CHAIRMAN OF THE JOINT CHIEFS OF STAFF

“Our national security is fundamentally linked to the fiscal sustainability of our federal budget.”

—THE COALITION FOR FISCAL AND NATIONAL SECURITY “STRENGTH AT HOME AND ABROAD,” 2016