



Congressional Budget Office

**Presentation to the
Association of Government Accountants**

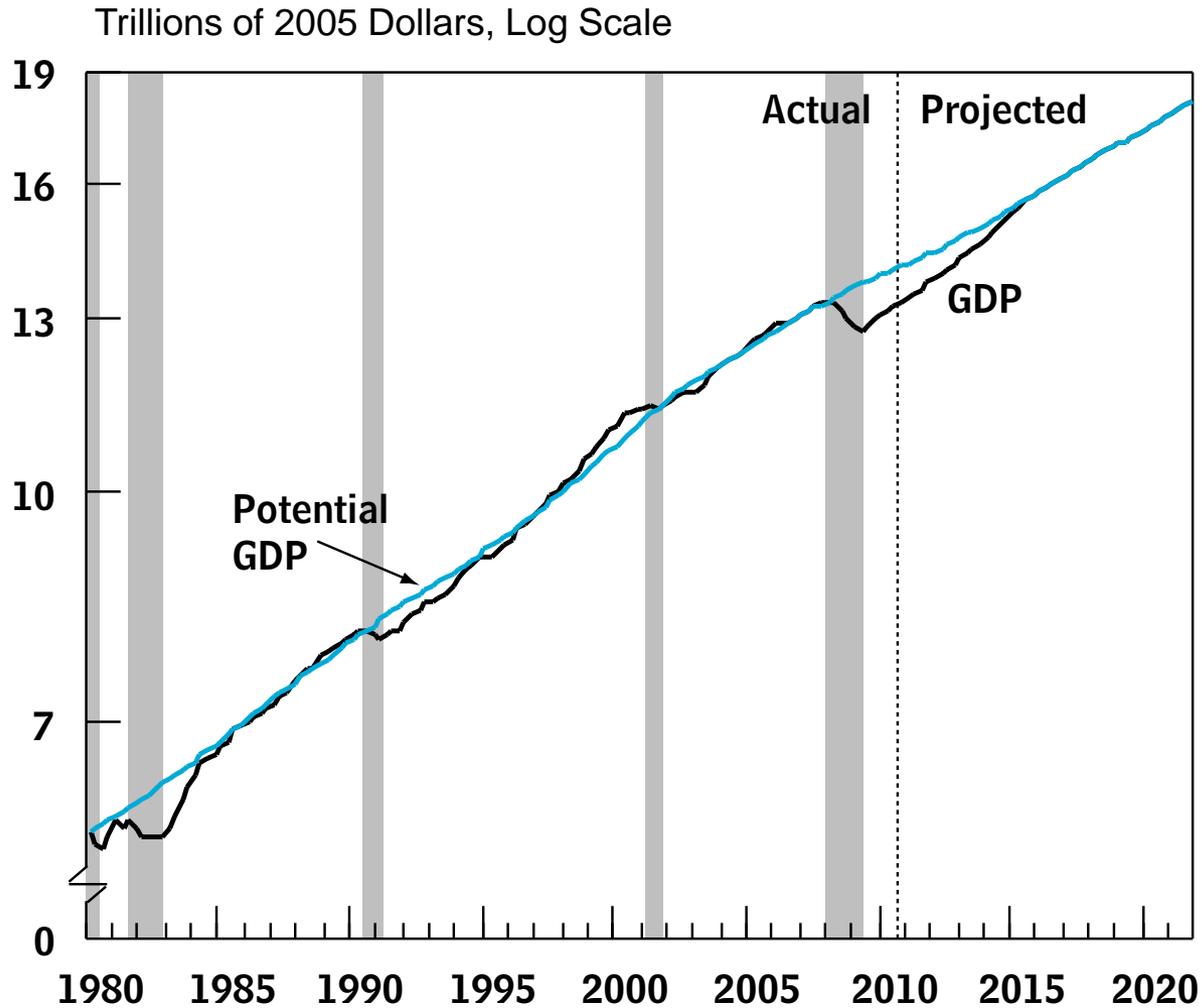
The Budget and Economic Outlook

February 18, 2011

**Robert A. Sunshine
Deputy Director**

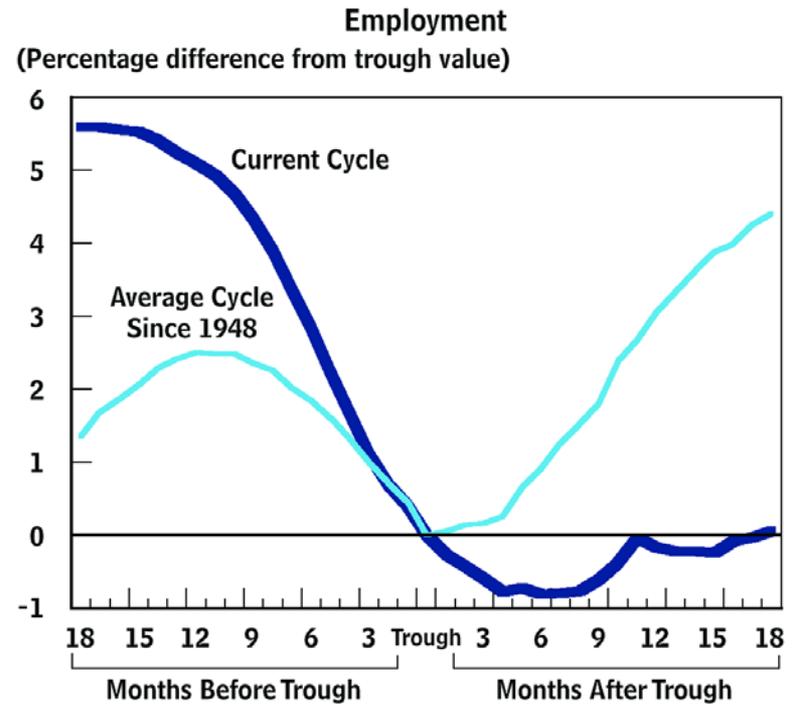
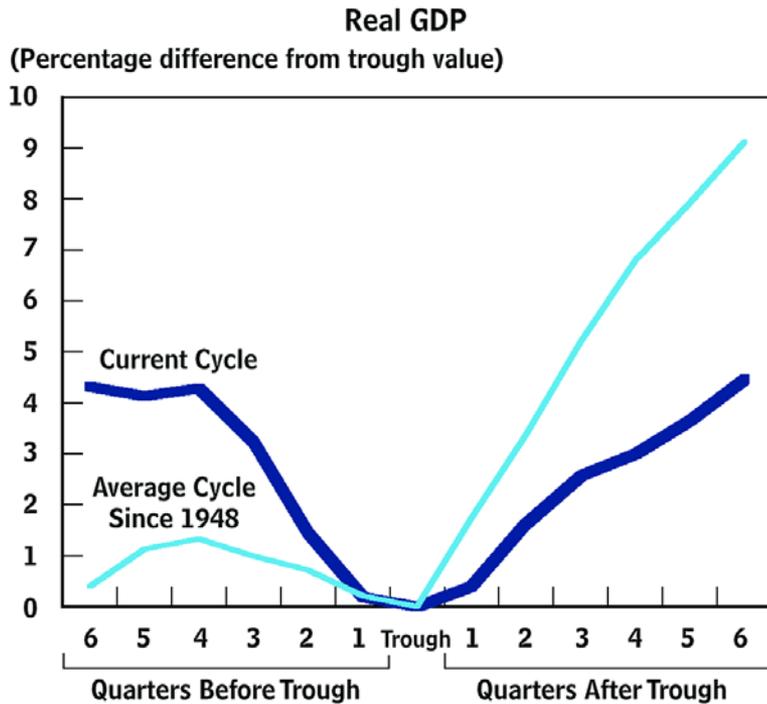


Real Gross Domestic Product



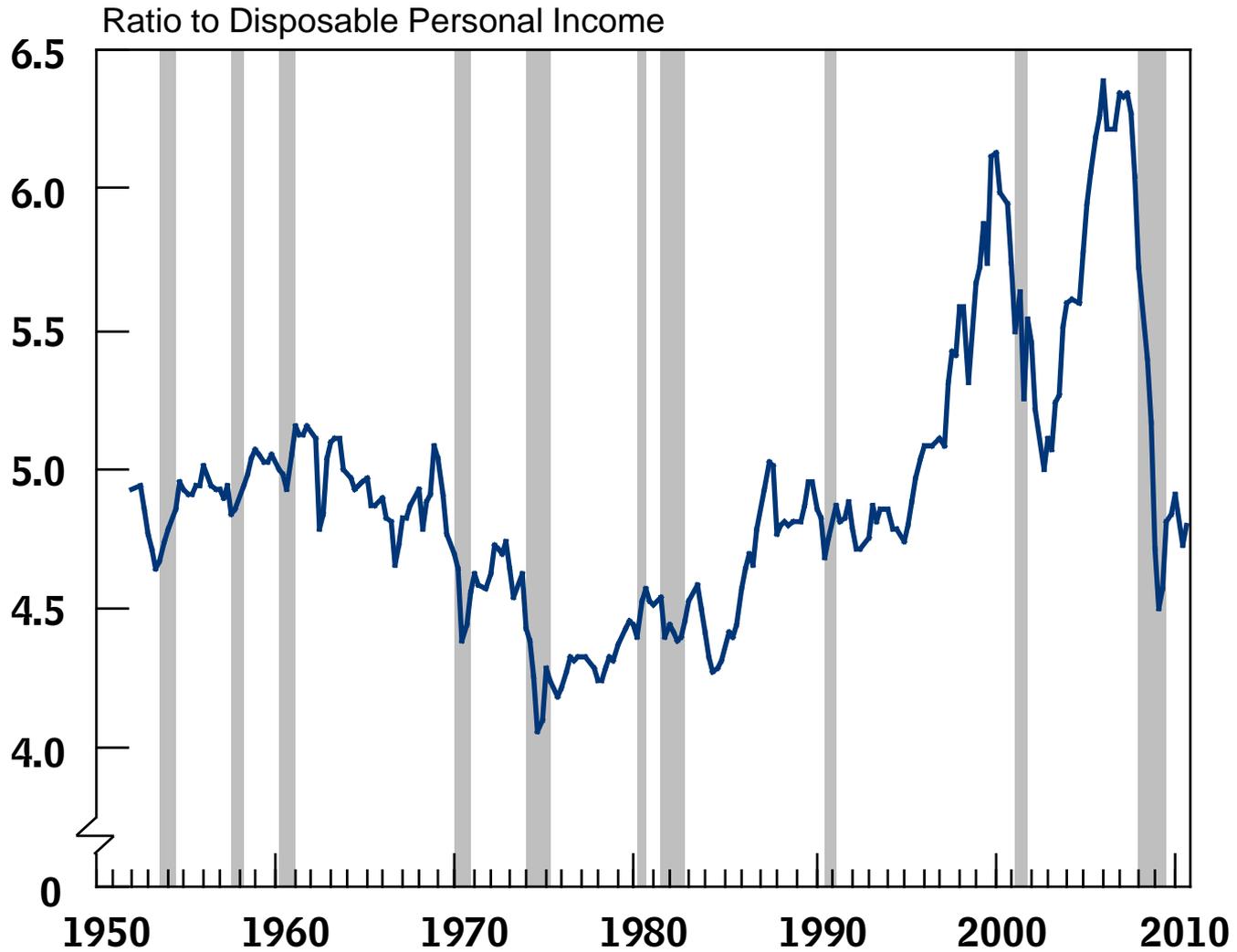


Recovery in Real Gross Domestic Product and Employment



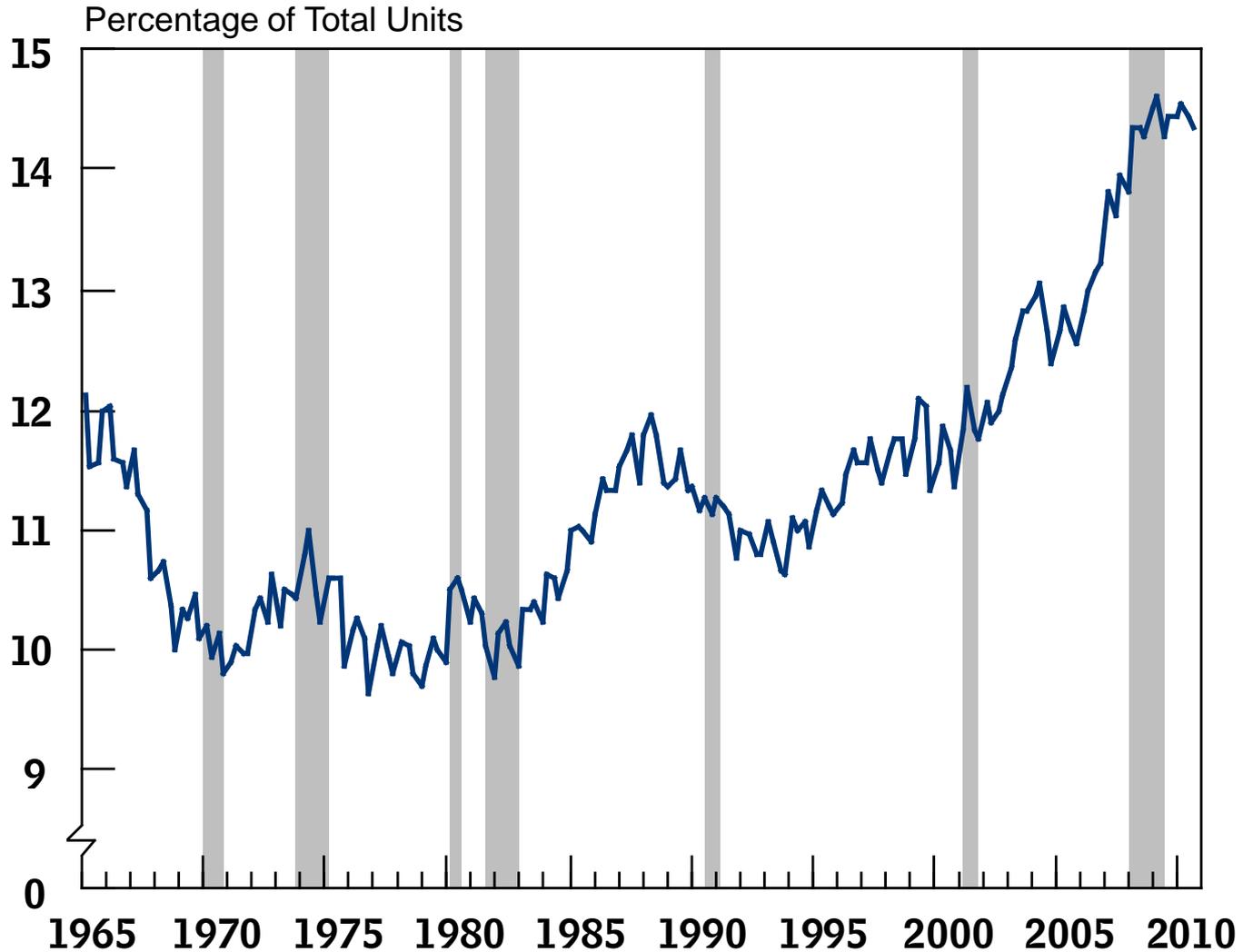


Household Net Worth





Vacant Housing Units



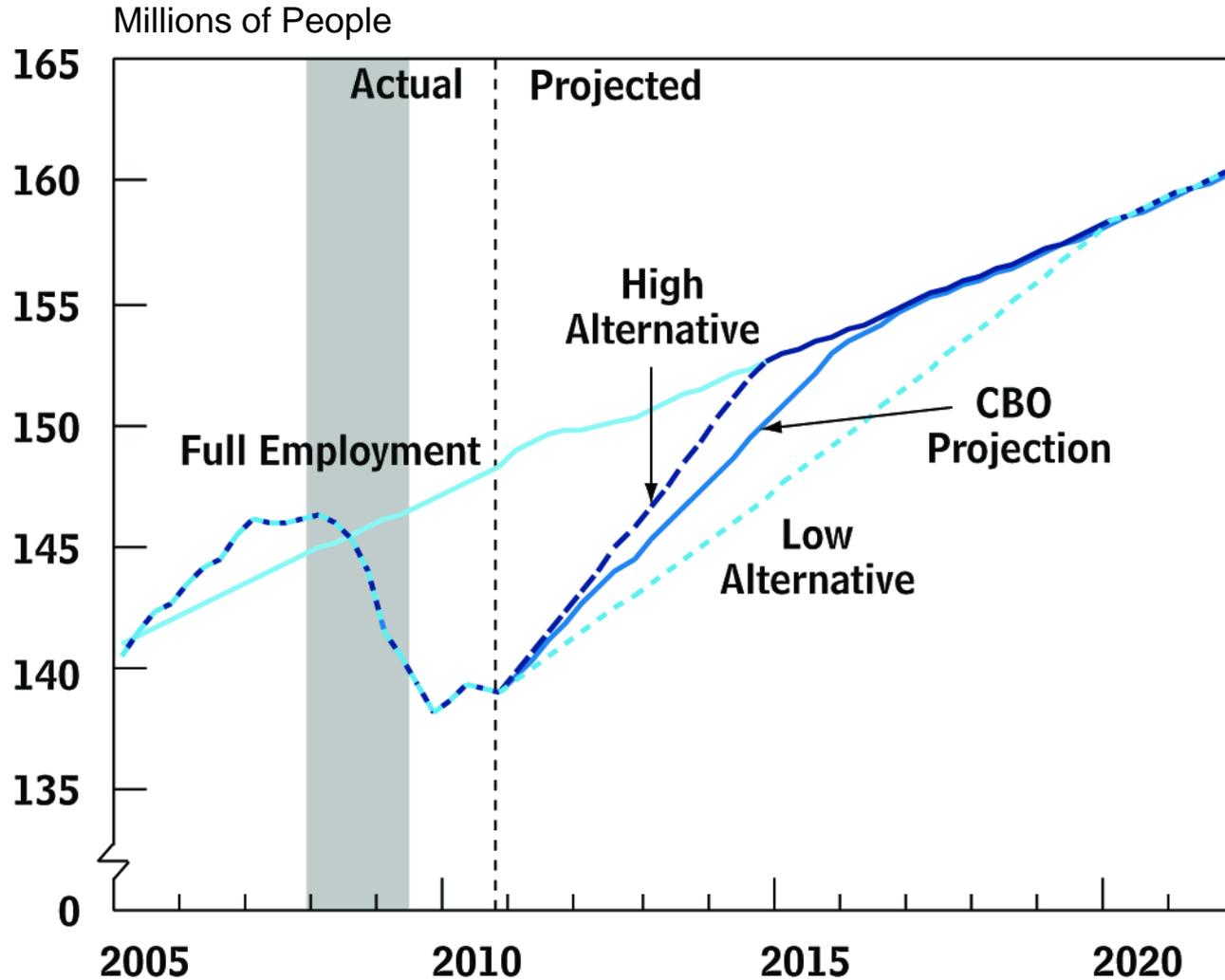


Unemployment Rate



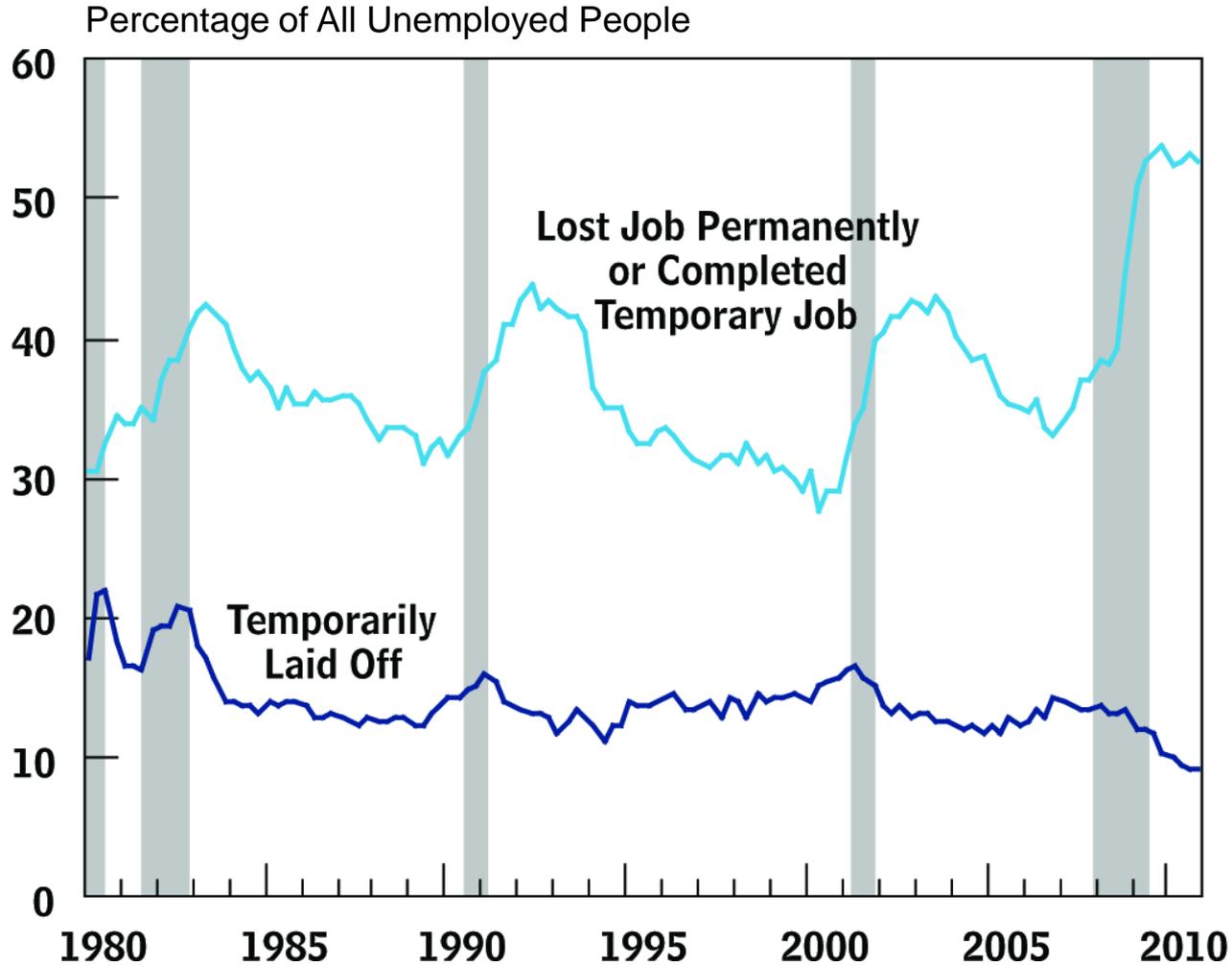


Possible Paths to Full Employment



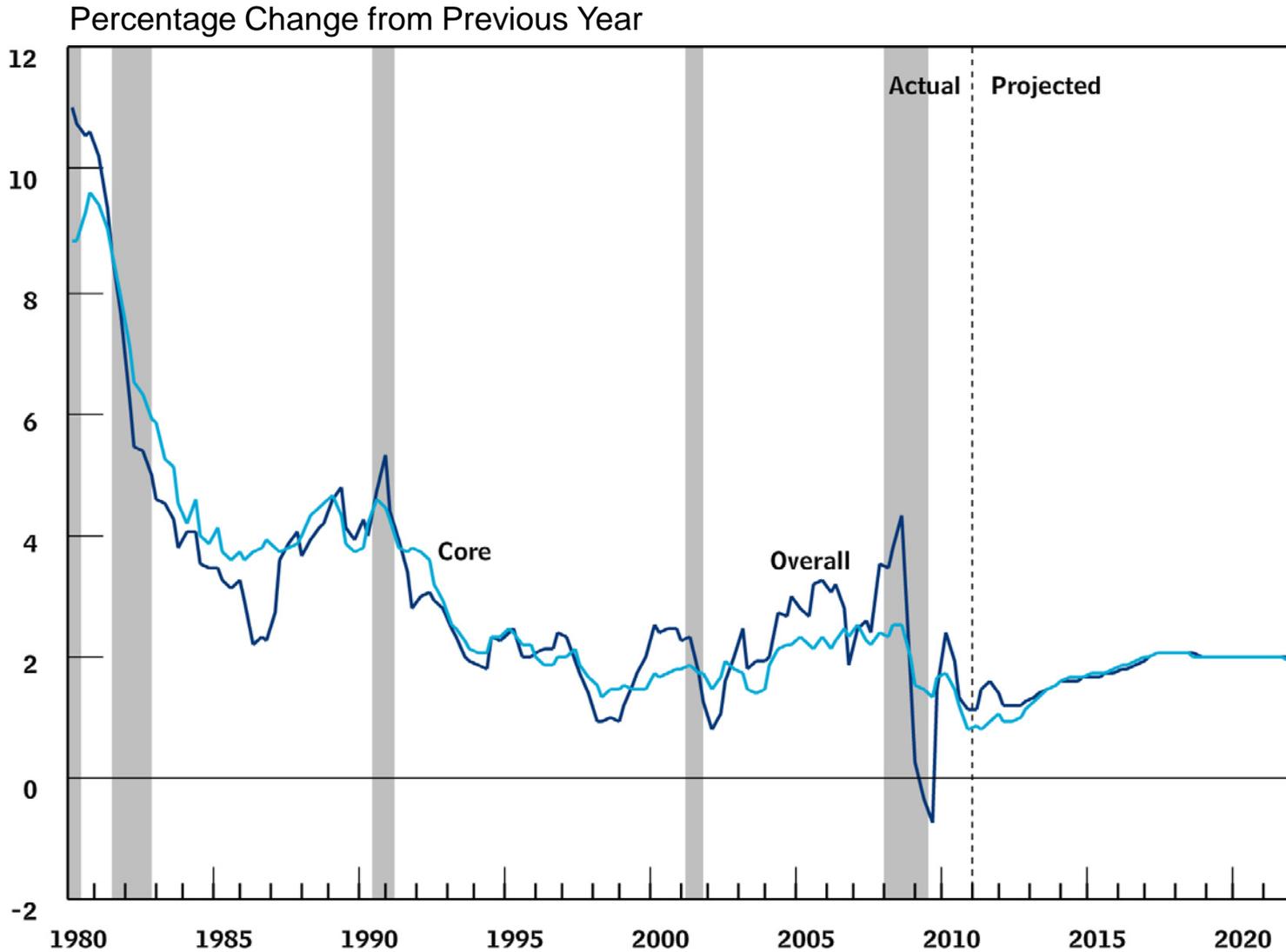


People Who Have Lost Their Job



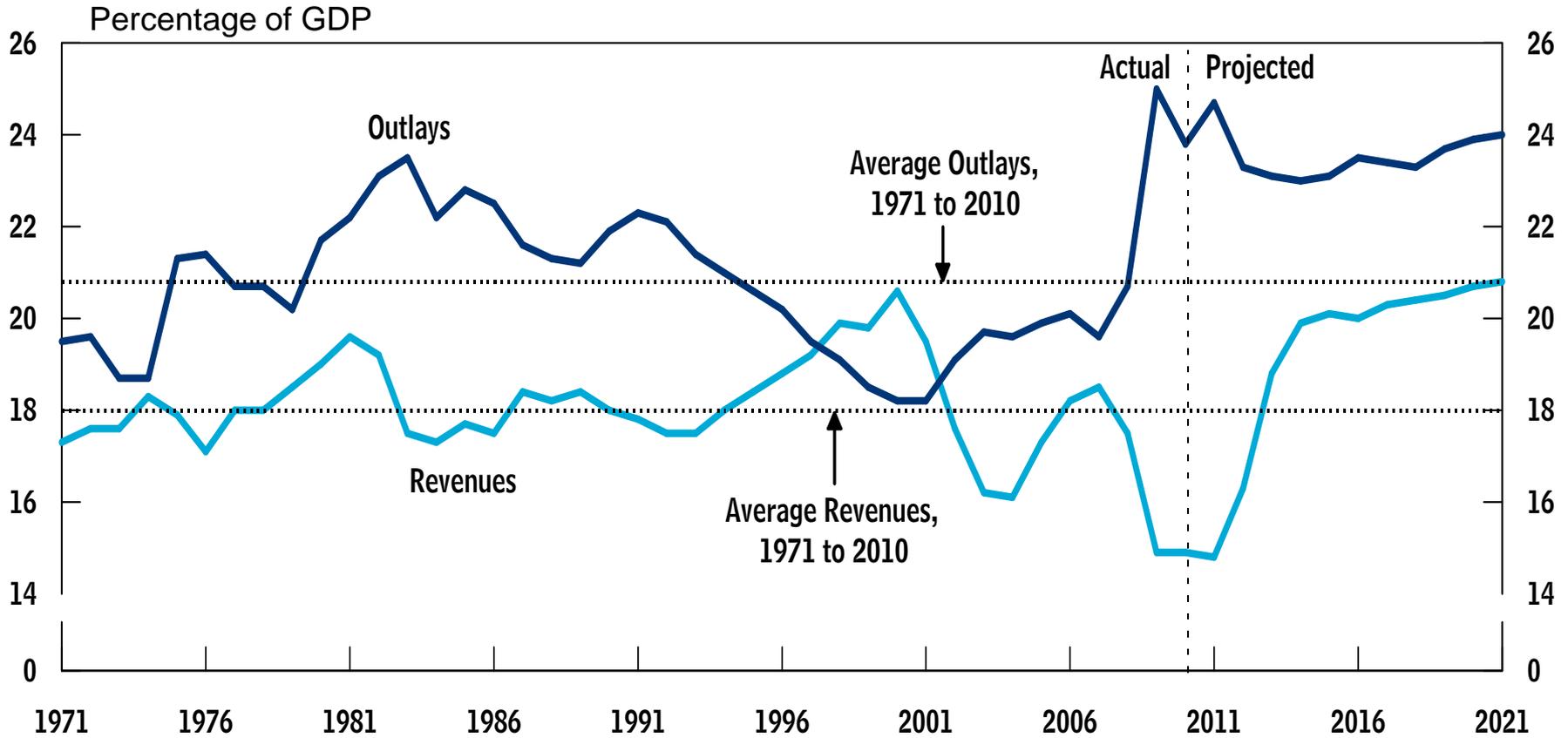


Inflation



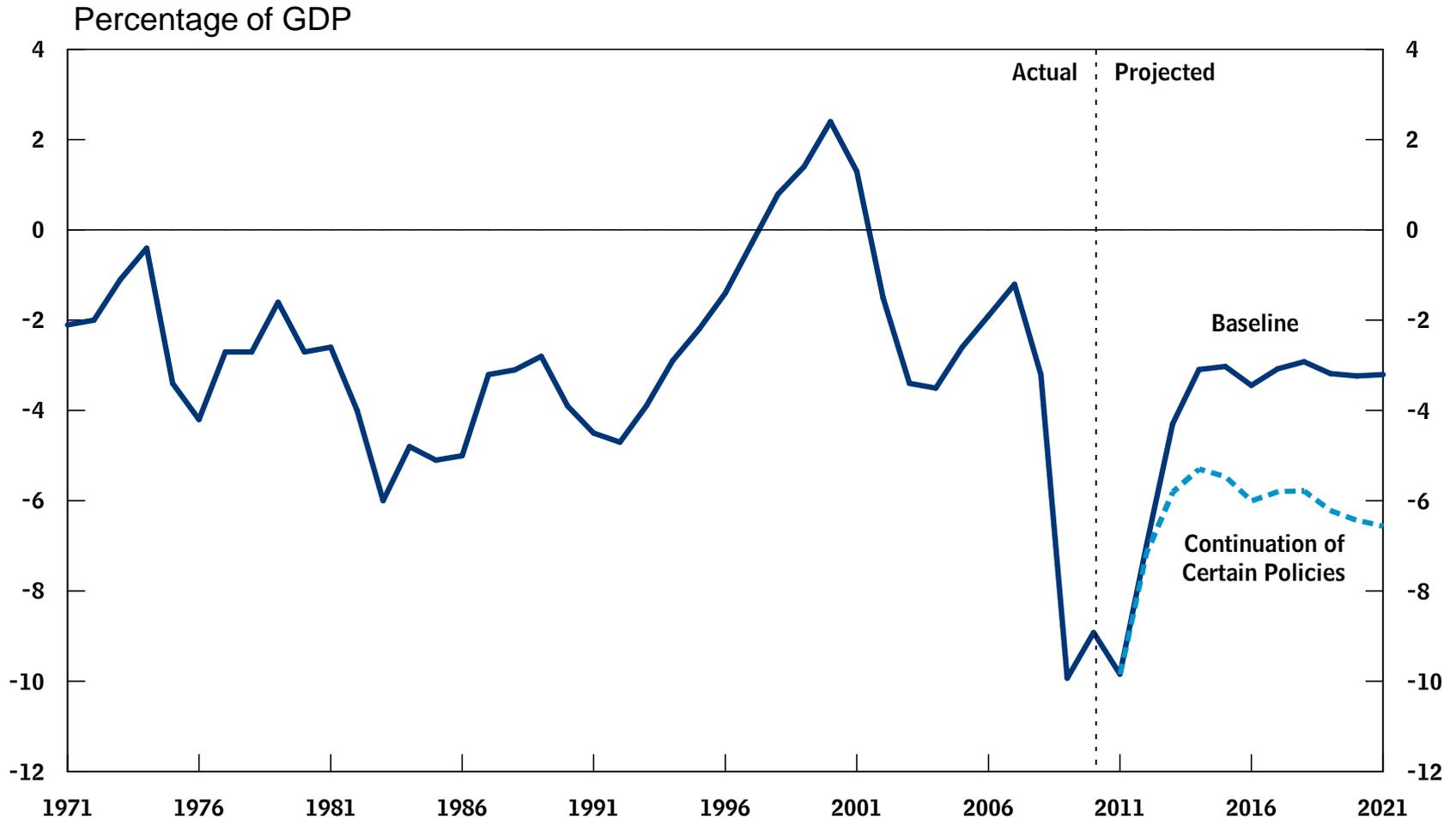


Total Revenues and Outlays



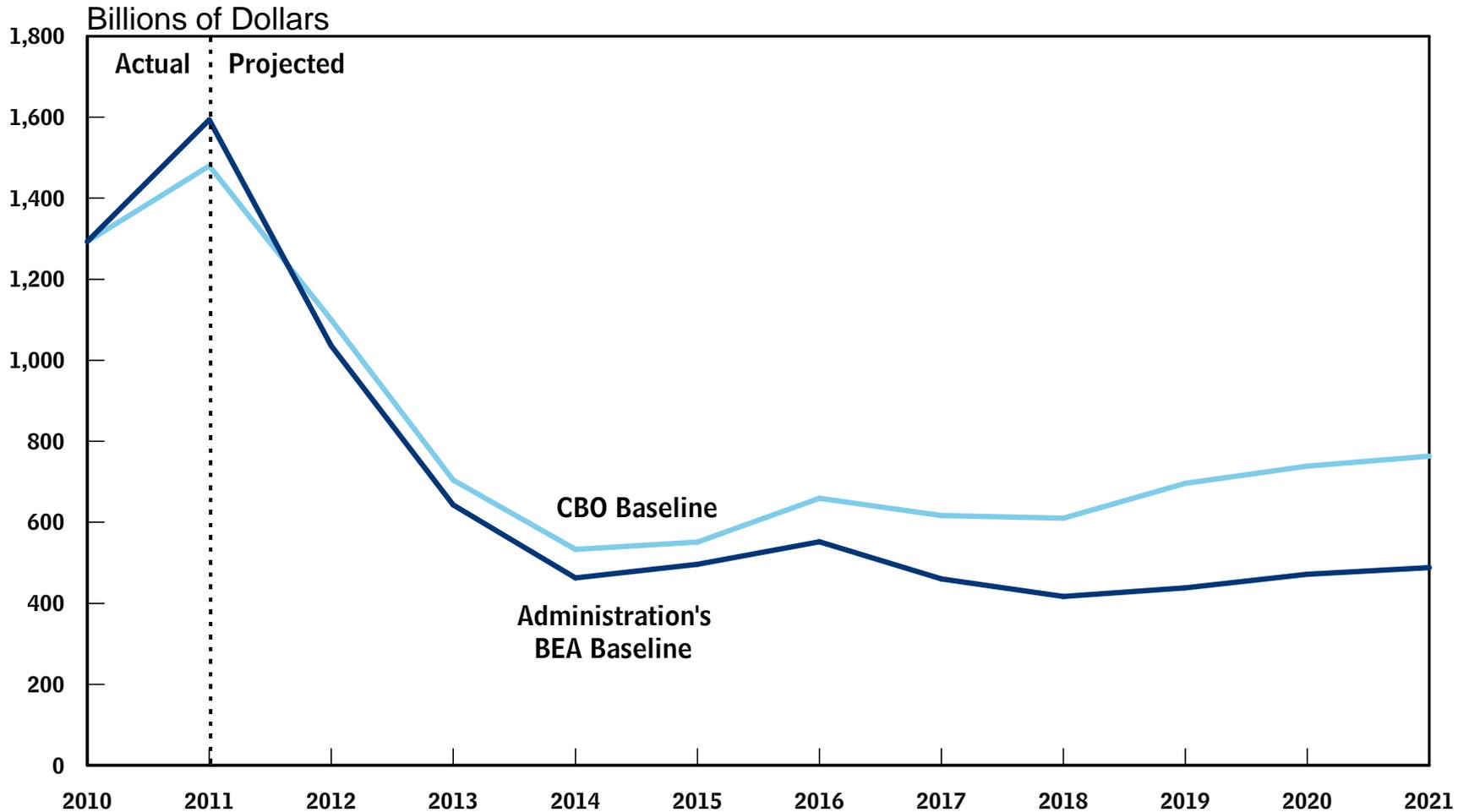


Total Deficits and Surpluses—Historically, in CBO’s Baseline, and with a Continuation of Certain Policies



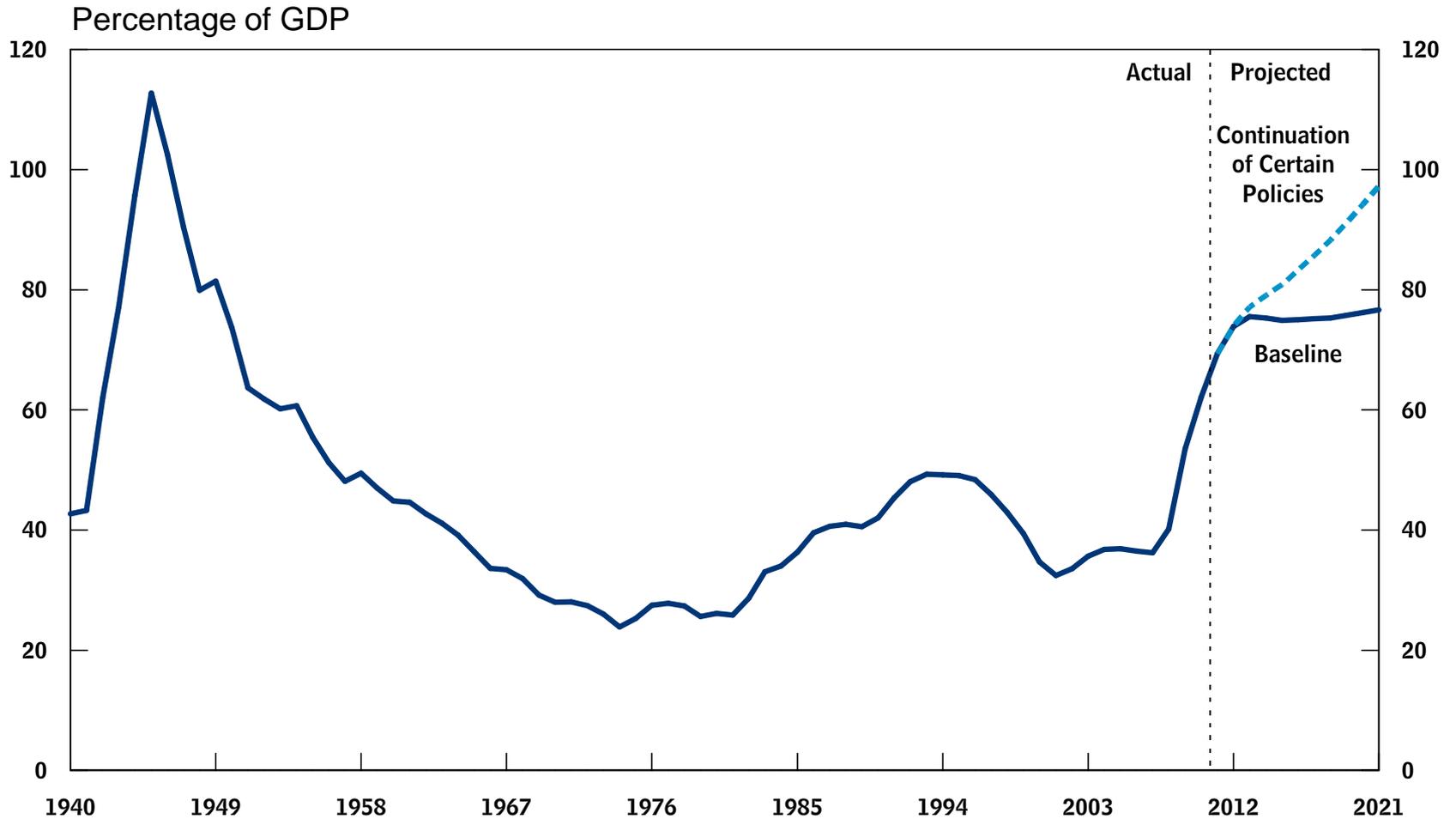


Comparison of CBO's and the Administration's BEA Baseline Deficit Projections



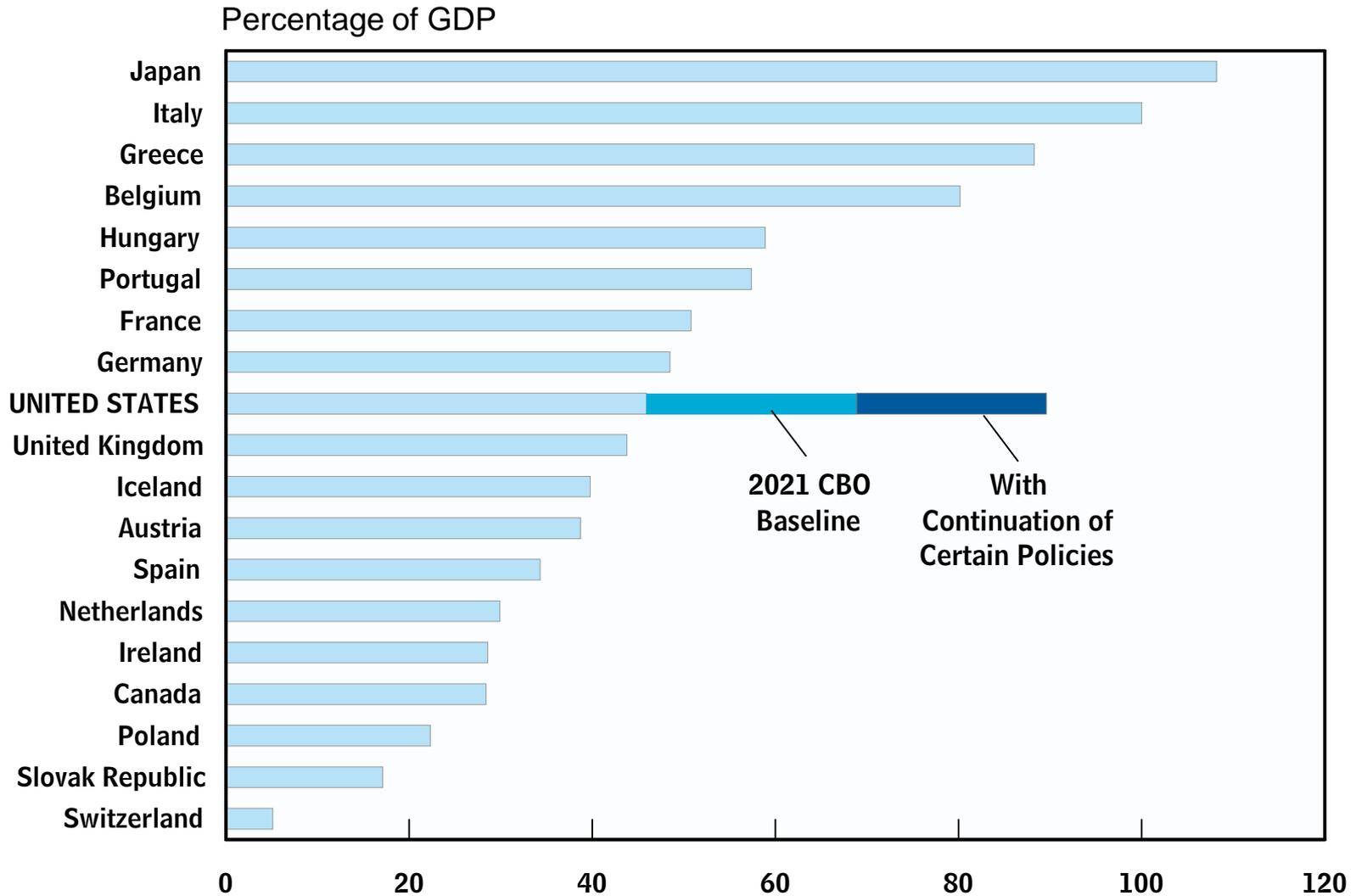


Federal Debt Held by the Public—Historically, in CBO’s Baseline, and with a Continuation of Certain Policies





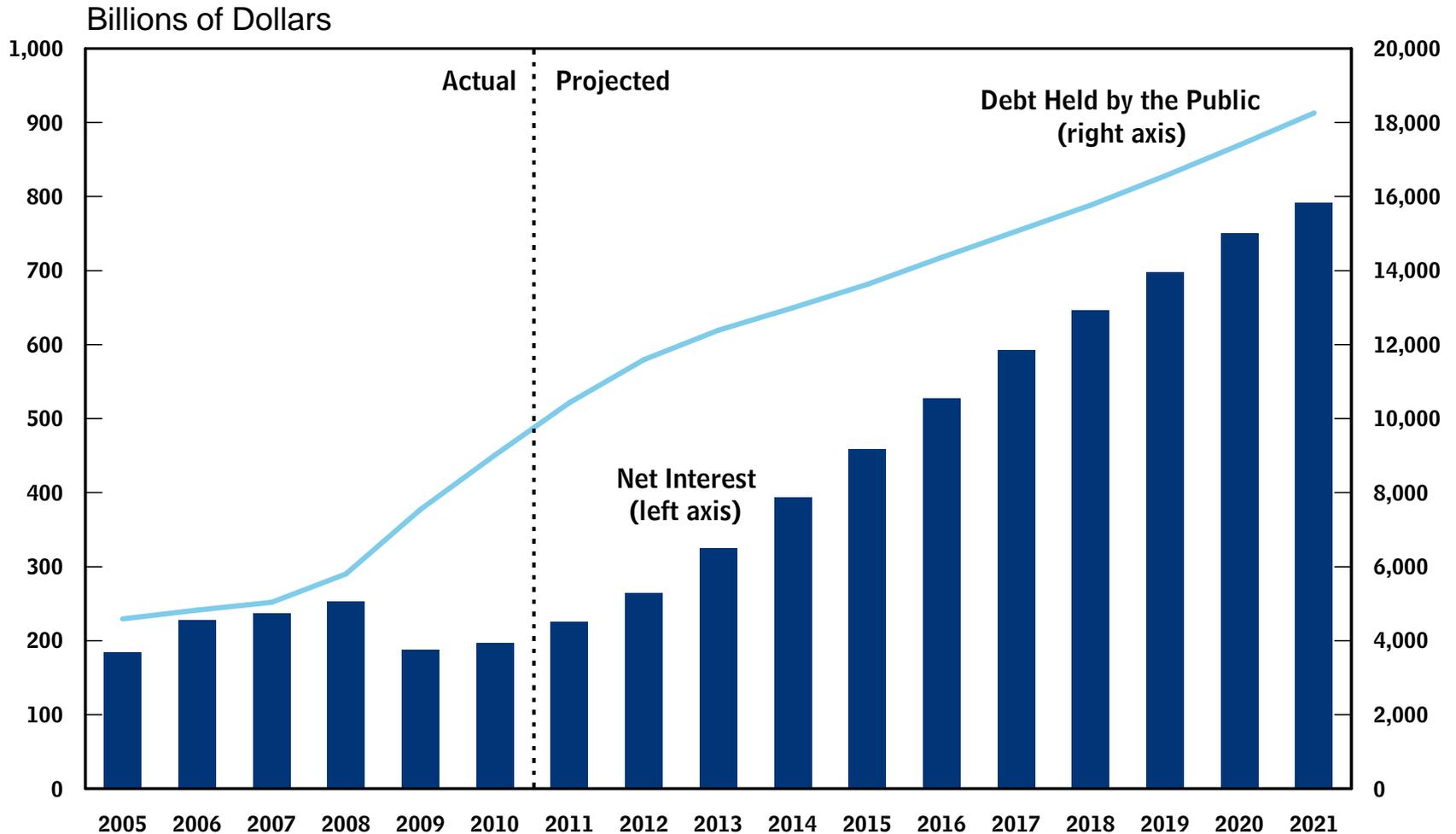
Debt Burden Across Countries in 2009



Source: For the United States, debt held by the public net of financial assets. For other countries, general government debt net of financial liabilities as reported by the Organisation for Economic Co-operation and Development.

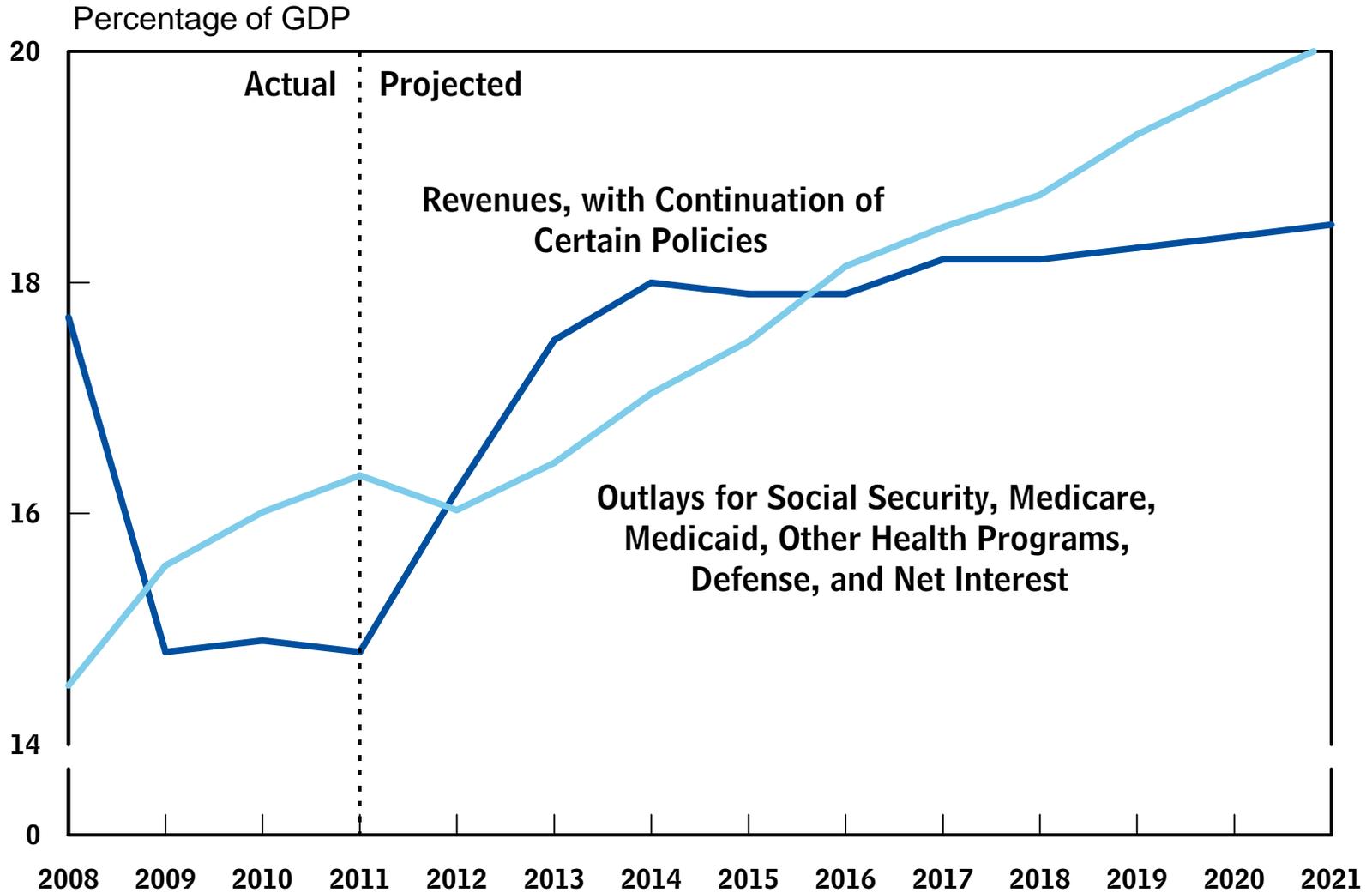


Debt Held by the Public and Net Interest





Outlays for Some Key Federal Programs Compared with Total Federal Revenues





Components of the Federal Budget

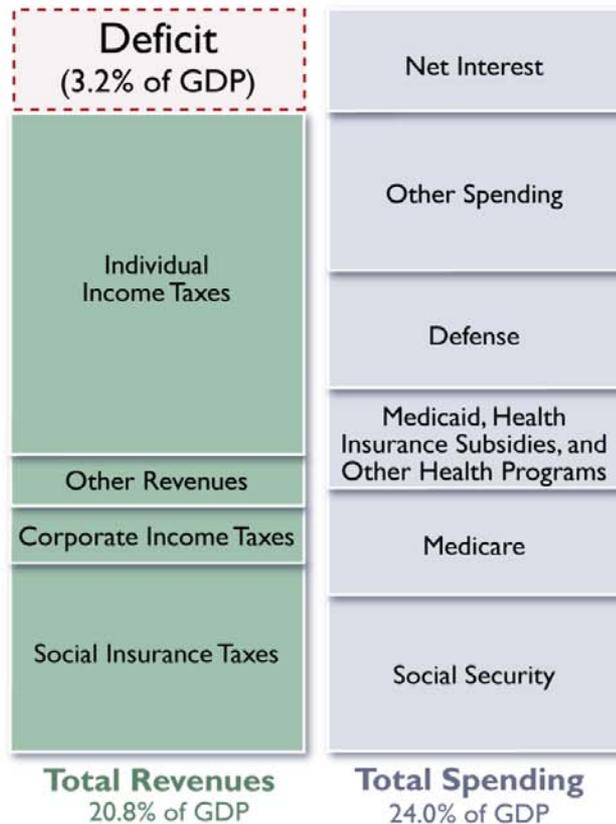
	1970	2007	2021 January Baseline
	Percentage of GDP		
Revenues	19.0	18.5	20.8
Outlays	19.3	19.6	24.0
<i>Social Security, Medicare, Medicaid, health insurance subsidies, and other health programs</i>	3.8	8.2	12.0
<i>Defense</i>	8.1	3.9	3.6
<i>Other mandatory spending and nondefense discretionary spending</i>	6.0	5.8	5.0
<i>Net interest</i>	1.4	1.7	3.3
Deficit	0.3	1.2	3.2

Note: Figures are shown net of offsetting receipts where relevant.

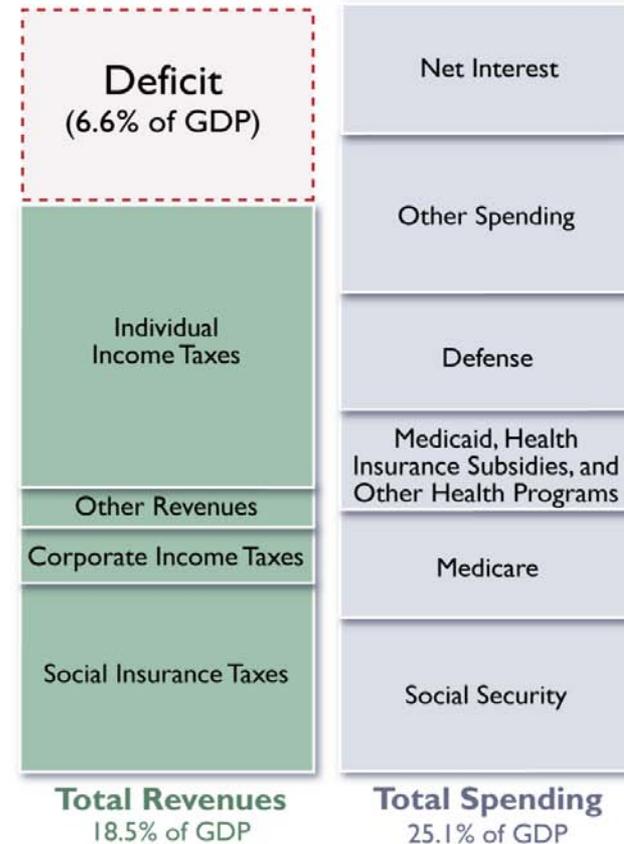


Projected Federal Revenue and Spending in 2021

Current Law (Baseline)

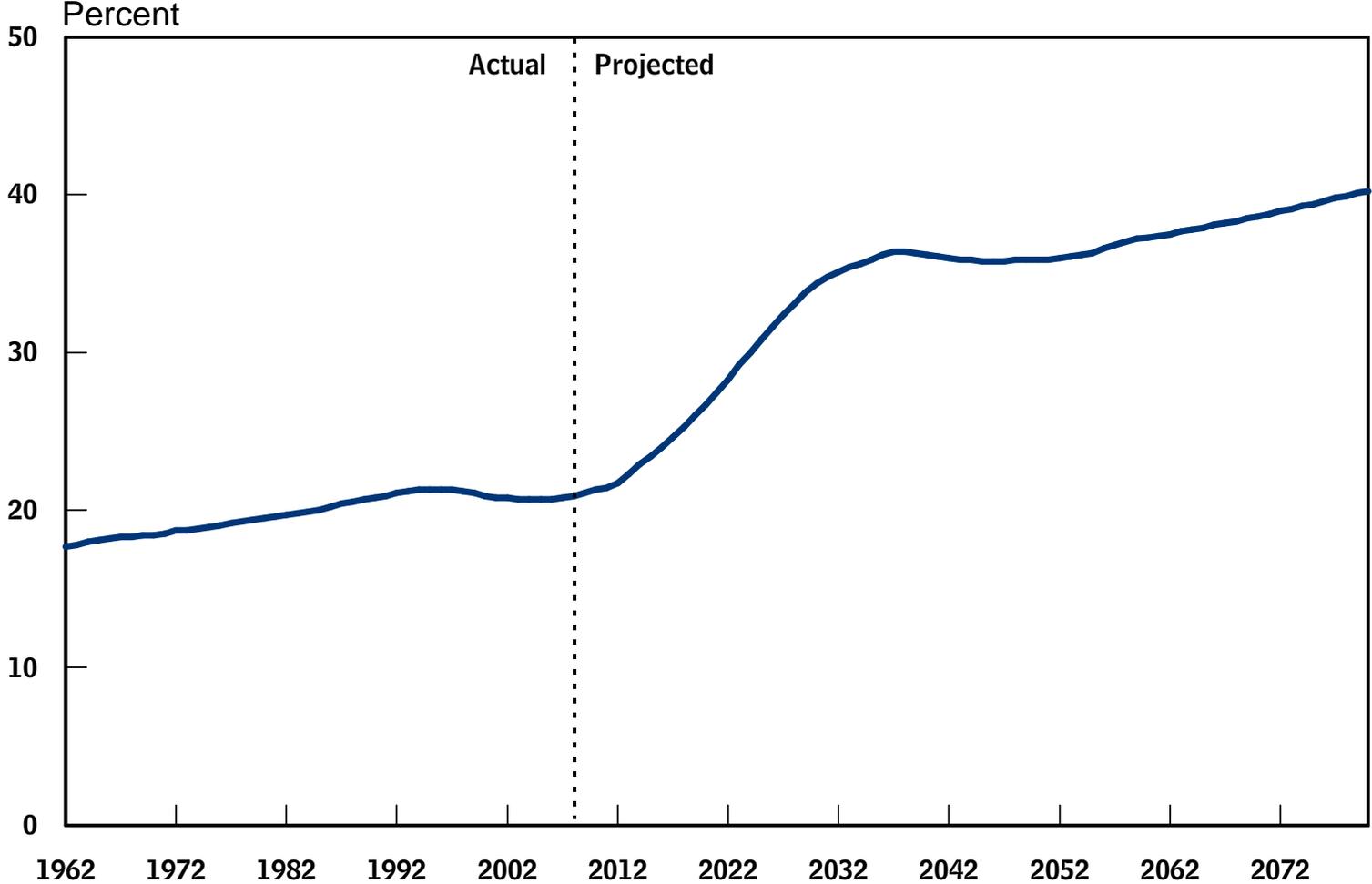


With Continuation of Certain Policies



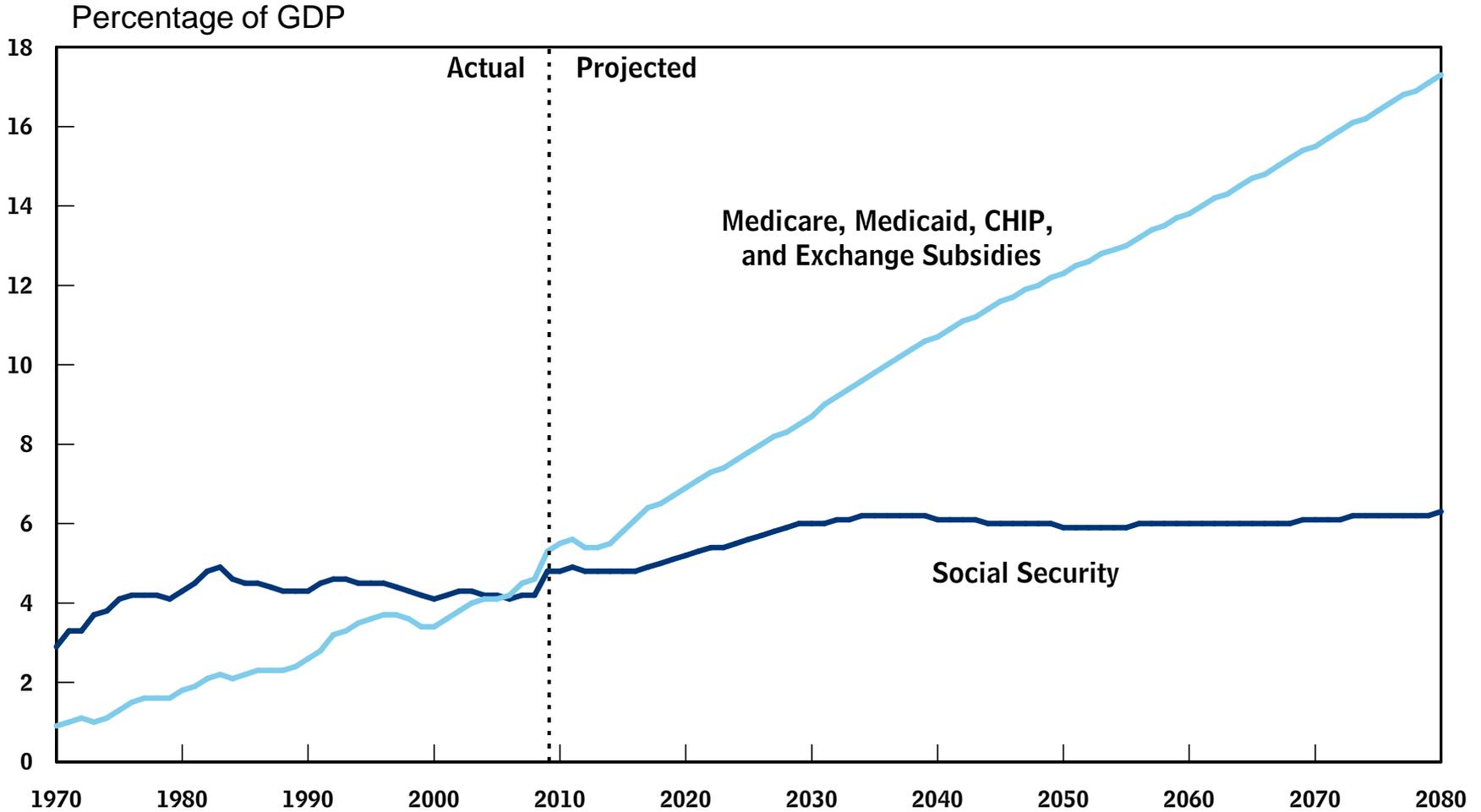


The Population Ages 65 or Older as a Percentage of the Population Ages 20 to 64





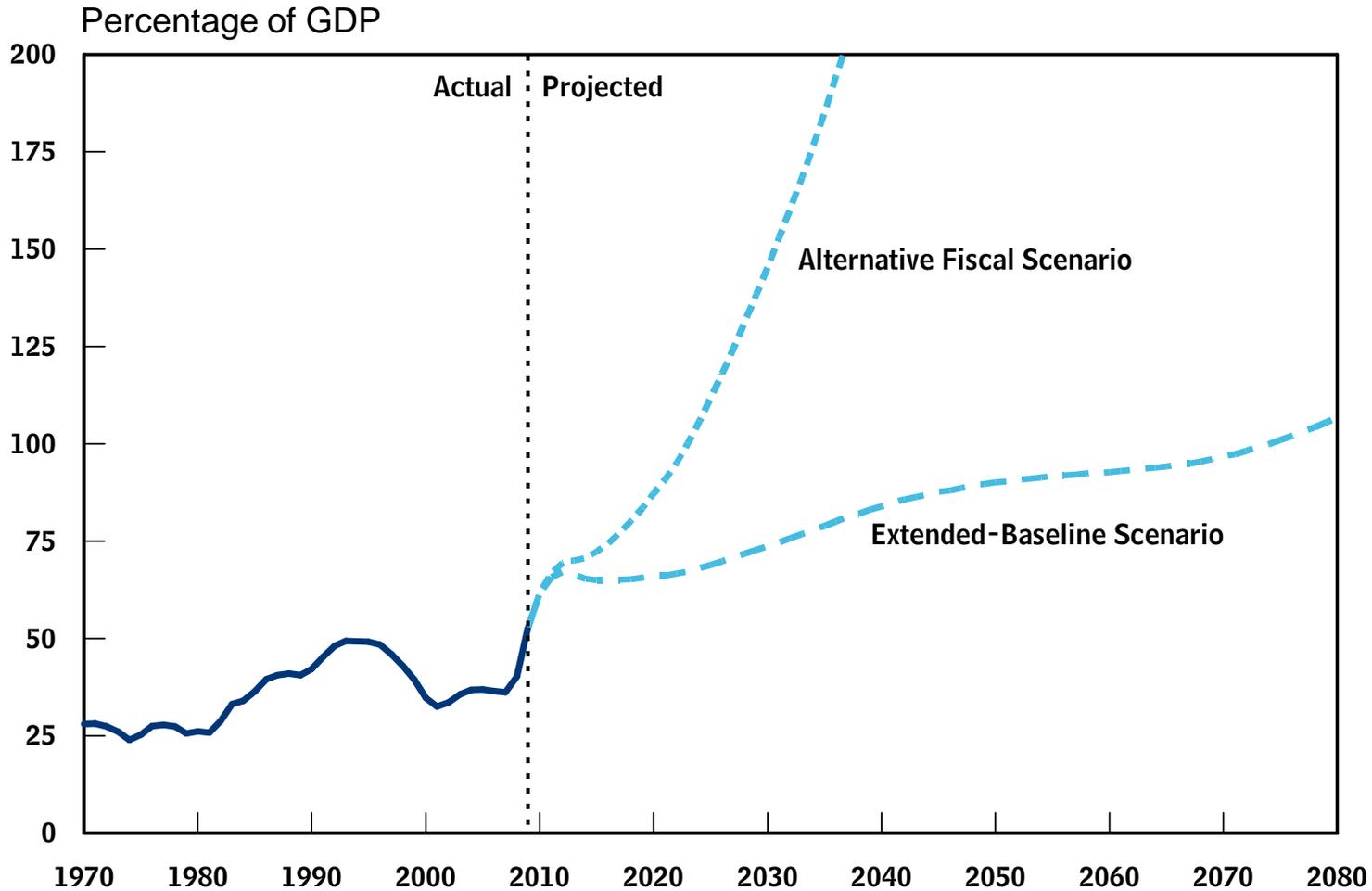
Federal Spending for Medicare and Medicaid and for Social Security



From CBO's *Long-Term Budget Outlook*, June 2010.



Federal Debt Under CBO's Long-Term Budget Scenario



From CBO's *Long-Term Budget Outlook*, June 2010.