

Macro Roundup Article

Headline: [U.S. Deficit Explodes Even As Economy Grows](#)

Article

Link: <https://www.washingtonpost.com/business/2023/09/03/us-debt-deficit-rises-interest-rate/#>

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Tweet: According to a @BudgetHawks analysis the US budget deficit will double in 2023 despite economic growth. @jasonfurman notes such deficits typically are associated with a "major crisis" like World War II or the 2008 financial meltdown.

Summary: According to the Committee for a Responsible Federal Budget the federal deficit is projected to roughly double this year, as bigger interest payments and lower tax receipts widen the nation's spending imbalance despite robust overall economic growth. After the government's record spending in 2020 and 2021 to combat the impact of covid-19, the deficit dropped by the greatest amount ever in 2022, falling from close to \$3 trillion to roughly \$1 trillion. But rather than continue to fall to its pre-pandemic levels, the deficit then shot upward. Budget experts now project that it will probably rise to about \$2 trillion for the fiscal year that ends Sept. 30. Jason Furman said the current jump in the deficit is only surpassed by "major crises," such as World War II, the 2008 financial meltdown or the coronavirus pandemic. Related: Living with High Public Debt and There Is No "Stealth Fiscal Stimulus" and US Fiscal Alarm Bells Are Drowning Out a Deeper Problem

Primary Topic: Fiscal Deficits

Topics: Database, Fiscal Deficits, Fiscal Policy, Important!, News article, Politics, Weekly

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