

Macro Roundup Article

Headline: [US Fiscal Alarm Bells Are Drowning Out a Deeper Problem](#)

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Summary: The US federal budget is haemorrhaging money. The non-partisan Congressional Budget Office calculates that in the first seven months of the 2023 fiscal year, underlying government revenues are down 10% with spending up 12%. This leaves the federal budget deficit more than three times larger than in the same months of the 2022 fiscal year. The CBO's latest forecasts show the level of federal debt held by the public as a share of national income to be 98% in 2023, just 7.6% below its wartime peak in 1946 and on track to exceed it in 2028. For comparison, UK public debt, also at a multi-decade high relative to gross domestic product, is still less than half the level it was at the end of the second world war. To make a comparison with eurozone countries that required support in the 2010s, Portugal, Ireland and Spain already have lower gross debt levels than the US, IMF forecasts show US debt set to exceed that in Italy by 2028 and Greece by the end of the decade.

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Primary Topic: Fiscal Deficits

Topics: Fiscal Deficits, Fiscal Policy, Op-Ed/Blog Post, Weekly

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