

Macro Roundup Article

Headline: [The Budget and Economic Outlook: 2024 to 2034](#)

Article Link: <https://www.cbo.gov/publication/59710>

Author(s)	CBO Staff
Publication	Congressional Budget Office
Publication Date	February 08, 2024

Tweet: The new @USCBO forecast projects federal net interest costs of 3.1% of GDP in 2024 rising to 3.9% in 2034, vs a mean of 2.1% between 1974-2023.

Summary: In CBO's projections, the federal budget deficit grows from \$1.6 trillion in fiscal year 2024 to \$2.6 trillion in 2034. Deficits also expand in relation to the size of the economy, from 5.6% of gross domestic product (GDP) in 2024, when the collection of certain postponed tax payments temporarily boosts revenues, to 6.1% of GDP in 2025. In 2026 and 2027, revenues increase faster than outlays, causing the deficit to shrink to 5.2% of GDP by 2027. Thereafter, outlays rise faster than revenues. By 2034, the deficit returns to 6.1% of GDP— significantly larger than the 3.7% that deficits have averaged over the past 50 years. Related: Why We Should, but Won't, Reduce the Budget Deficit and Interest Expense: A Bigger Impact on Deficits than Debt and Living with High Public Debt

Primary Topic: Fiscal Deficits

Topics: Fiscal Deficits, Fiscal Policy, Government Spending, Government/NGO, Politics, Weekly

Permalink: <https://www.edwardconard.com/macro-roundup/19500?view=detail>

Featured Image

Link: <https://www.edwardconard.com/wp-content/uploads/2024/02/CBO-Figure-1-1-.png>