



Congressional Budget Office

The Federal Budget: Outlook and Challenges

Presentation to *Women in Government Relations*

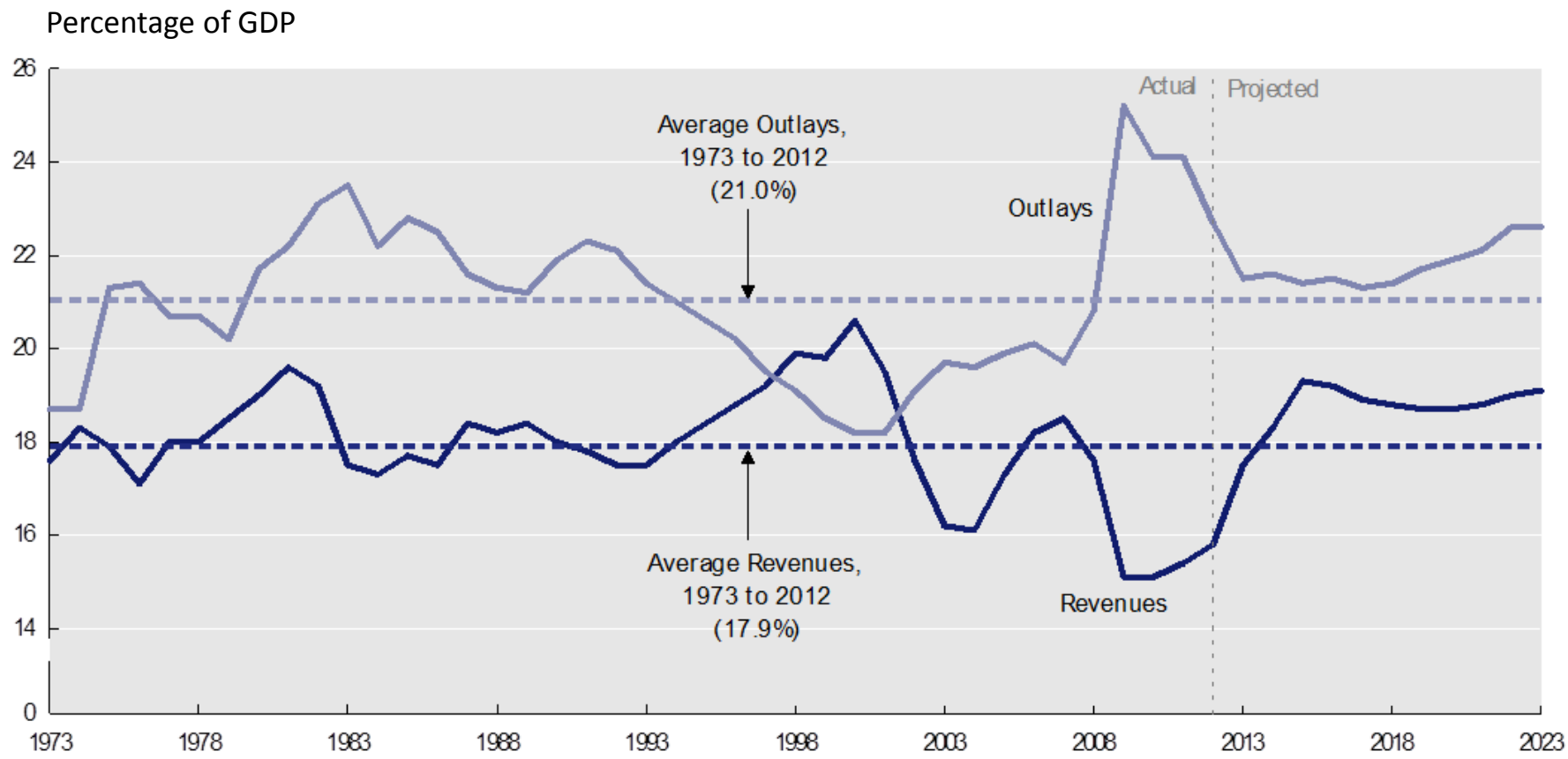
Theresa Gullo

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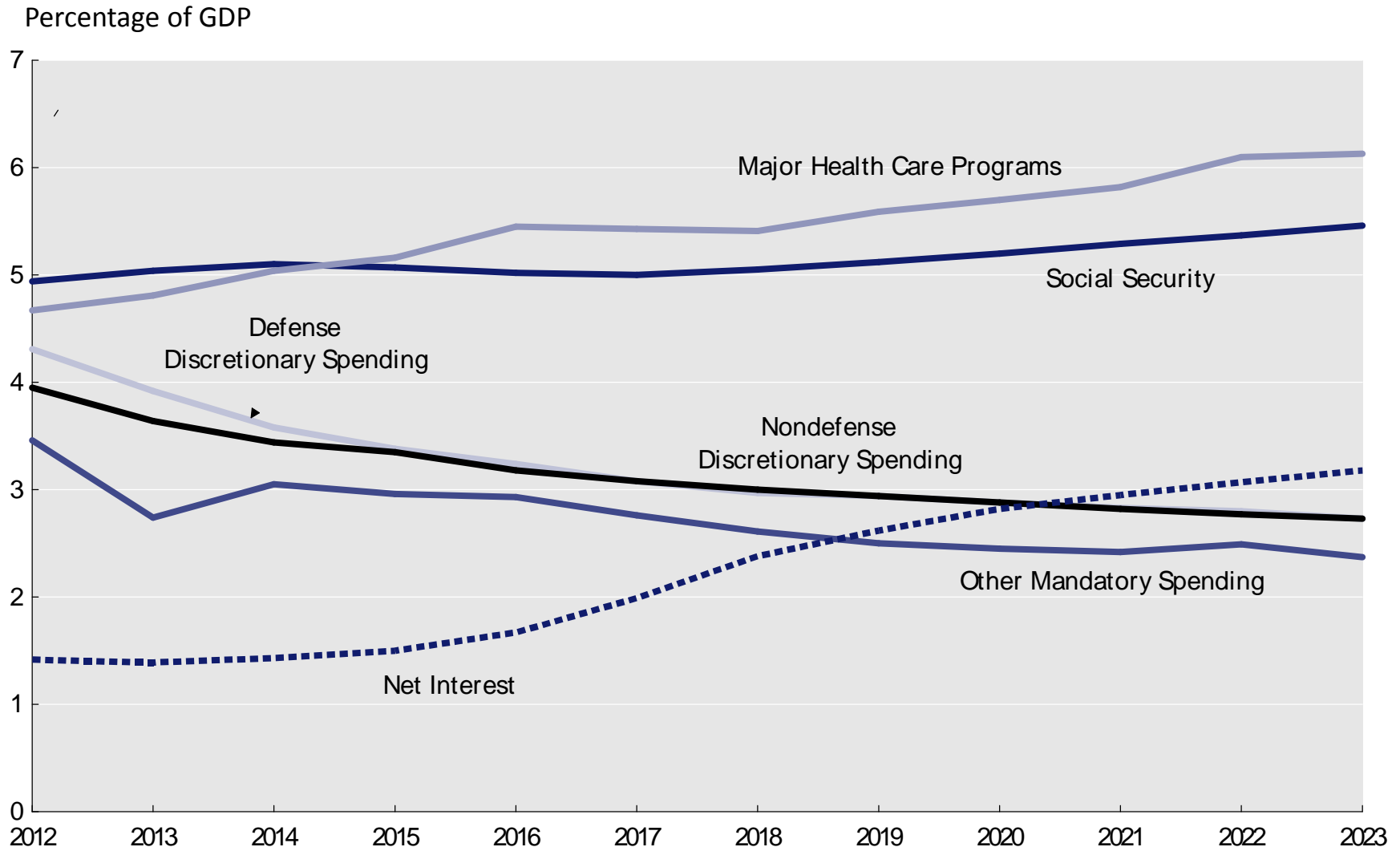
June 6, 2013

This presentation draws from previous CBO work on the subject.

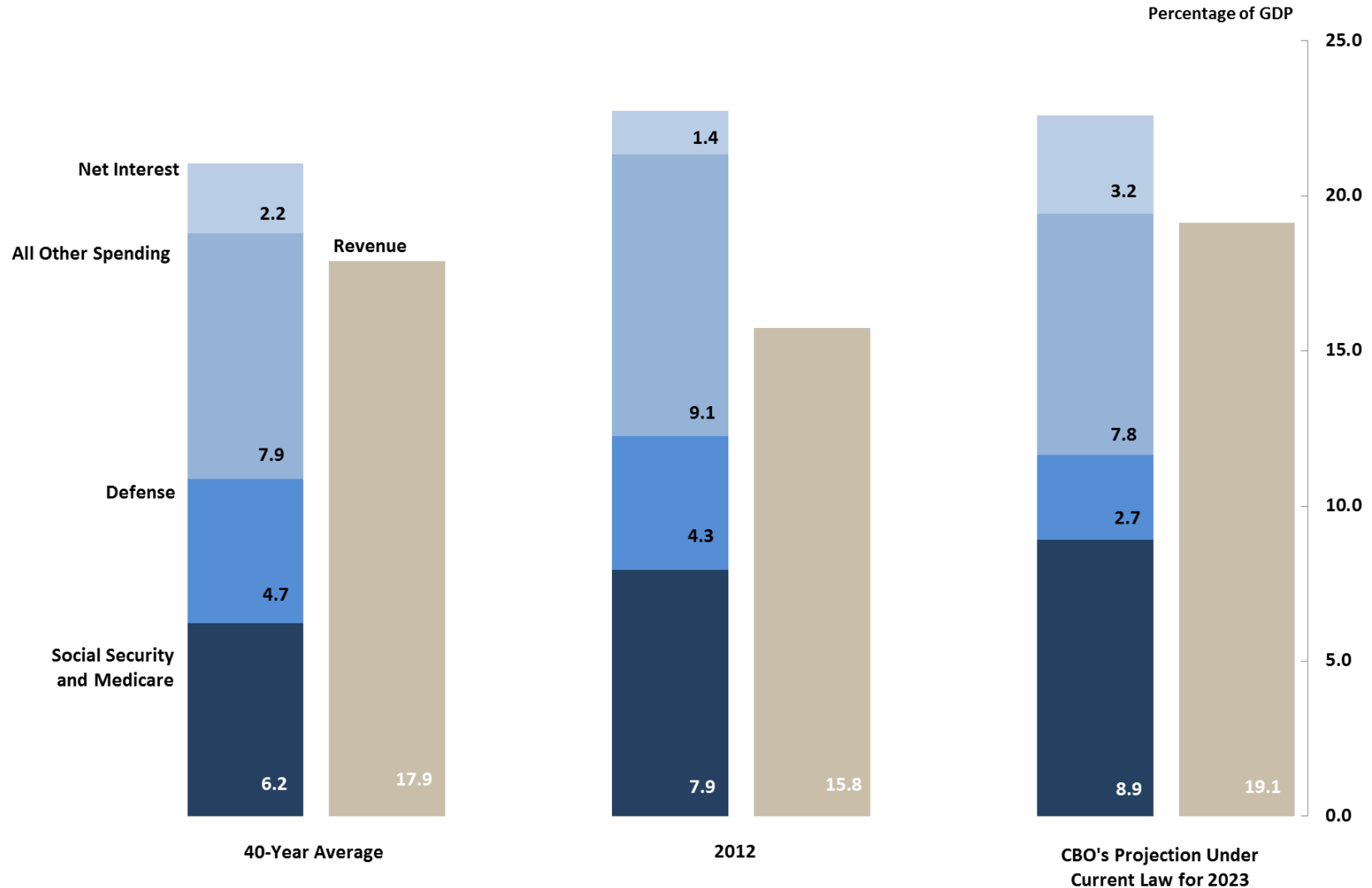
CBO Projects that Over the Next Ten Years Federal Spending and Revenues Under Current Law Will be a Larger Share of the Economy than They Have Been Historically



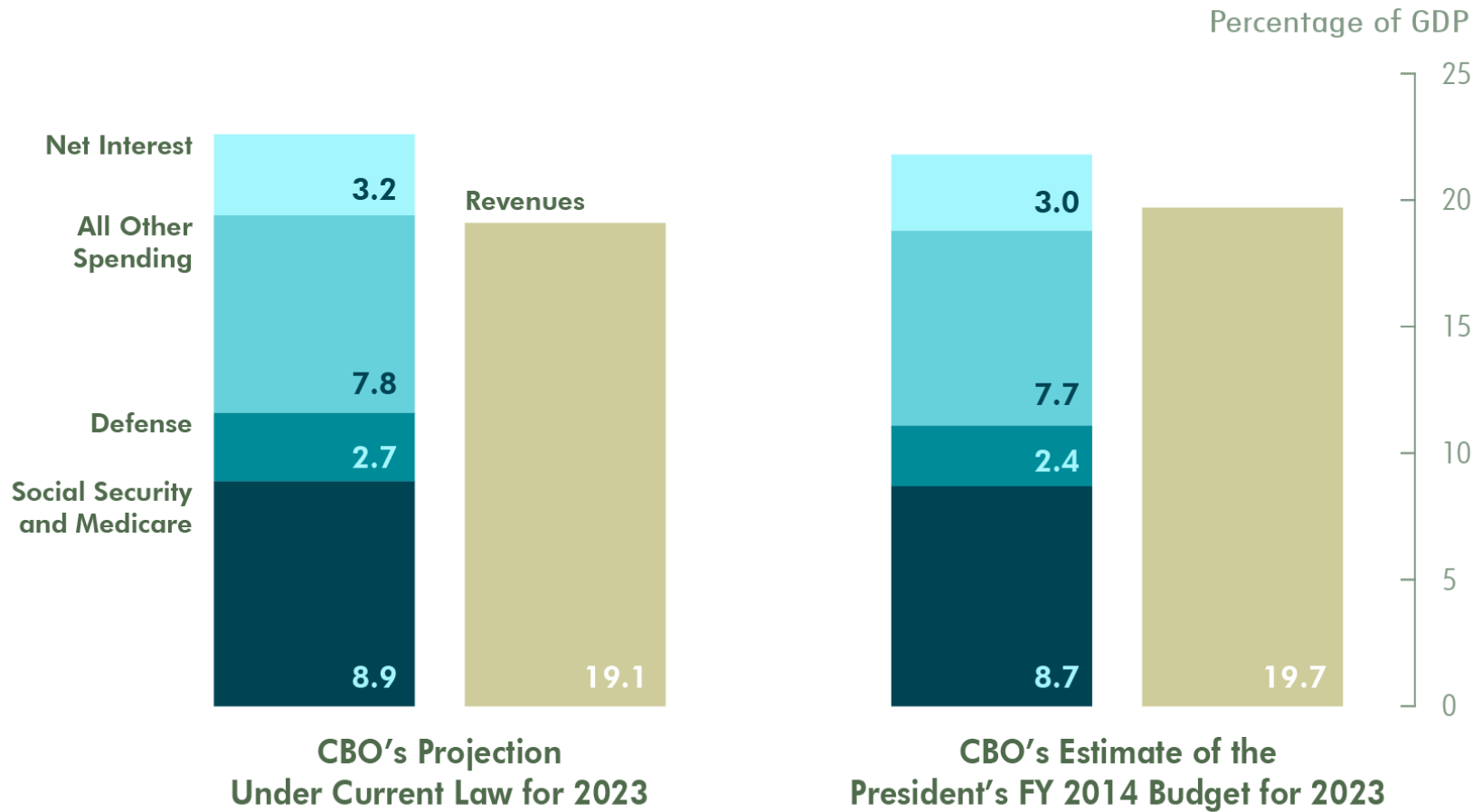
Spending on Social Security, Major Health Care Programs, and Interest Will Grow Relative to GDP While Discretionary Spending Will Shrink



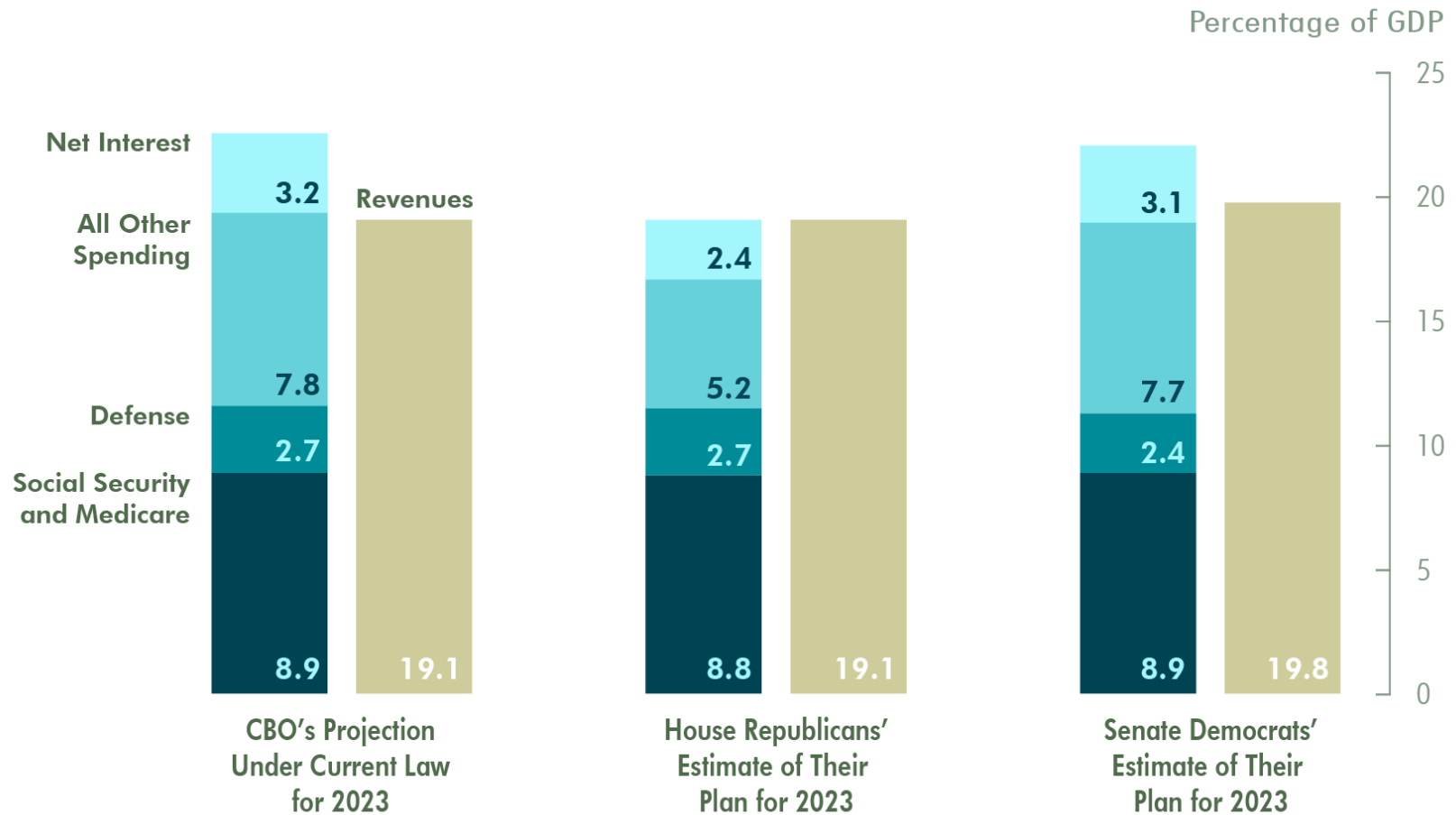
By 2023, Federal Spending Will Shift Further Toward Social Security and Medicare



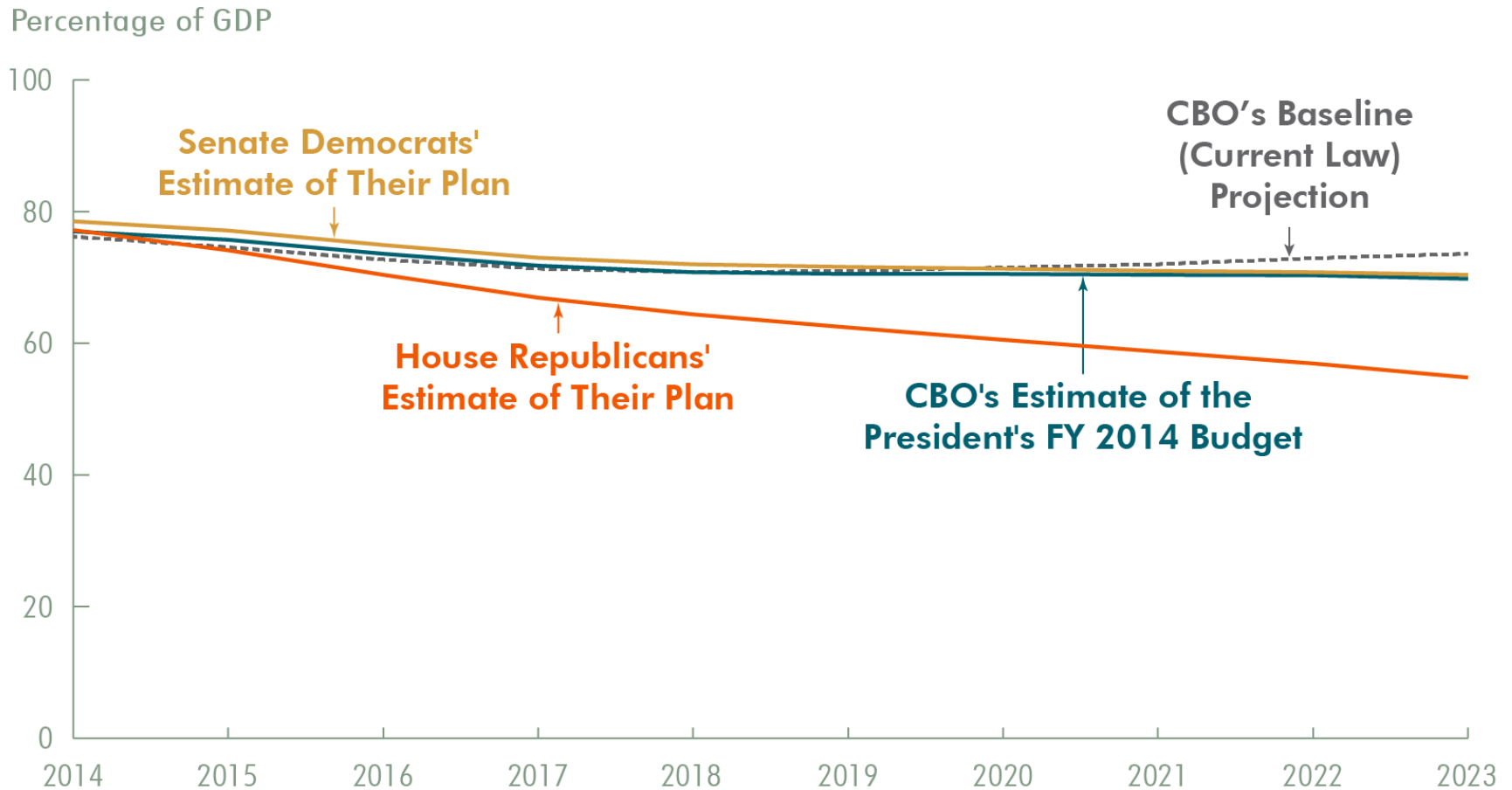
By 2023 the President's Budget Proposals Would Result in More Revenues and Less Spending than Under Current Law



Current House and Senate Budget Plans Would Make Significant Changes to Revenues and Certain Categories of Spending Relative to Current Law



The Debt Path Under Different Budget Plans Can Vary Considerably



Proposals to Change the Budget Can be Evaluated Using Many Different Criteria

- **How big would the government be?**
- **How much and how quickly would federal debt be reduced?**
- **How would the changes affect short-term and long-term economic performance?**
- **Who would bear the burden of changes in spending and revenues?**
- **How would the country's and the government's resources be allocated?**