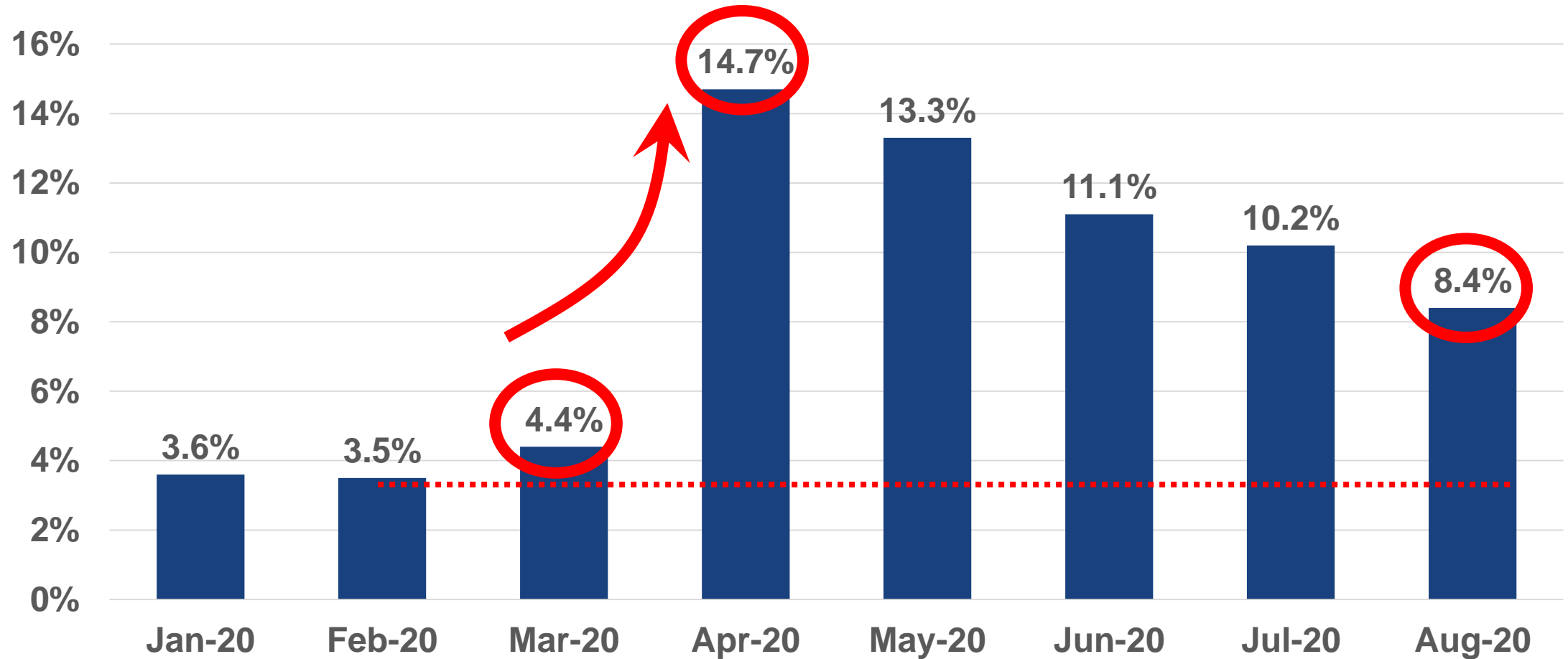
The background of the slide is a grayscale photograph of the United States Capitol building. The building's neoclassical architecture, featuring a prominent portico with columns and a triangular pediment, is visible. In the center foreground, a statue of a man in a long coat stands on a pedestal. The overall image is faded to allow the text to be the primary focus.

***The Federal Budget,  
COVID-19,  
and YOU***

**Tori Gorman  
Policy Director, The Concord Coalition**

# U.S. Unemployment Rate (U-3)

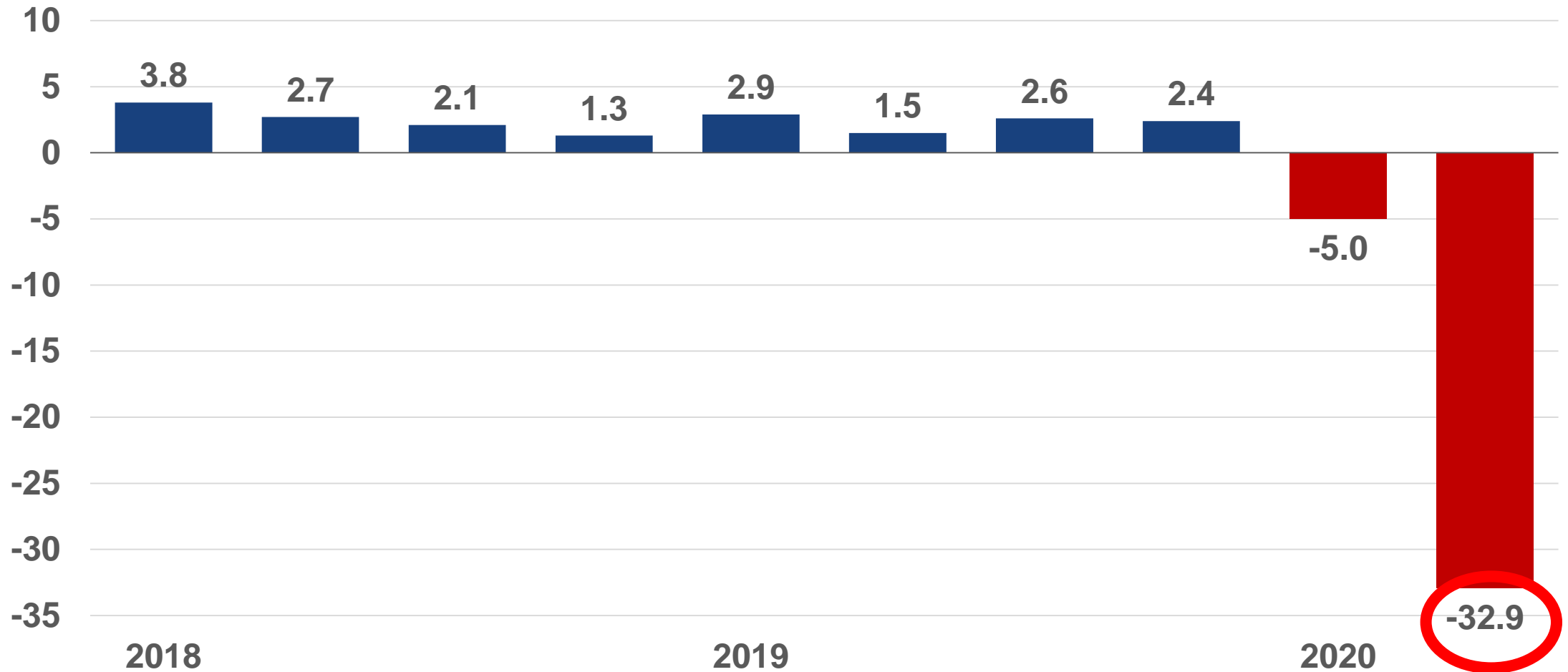


Source: Bureau of Labor Statistics, Unemployment Situation Report

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# *The Economy is in Recession*

Percent Change in Real Gross Domestic Product (Annualized)



Source: Bureau of Economic Analysis

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# *The federal fiscal response to COVID-19 has been significant but appropriate*

H.R.748

Coronavirus Aid, Relief, and Economic Security (CARES) Act

**H.R.6704**  
Coronavirus  
Preparedness  
and Response  
Supplemental  
Act

**\$8 b**

**March 6**

**H.R.6201**  
Family First  
Coronavirus  
Response Act

**\$192 billion**

**March 18**

**\$1,721 billion**

**March 27**

**H.R.266**  
Paycheck Protection  
and Health Care  
Enhancement Act

**\$483 billion**

**April 24**

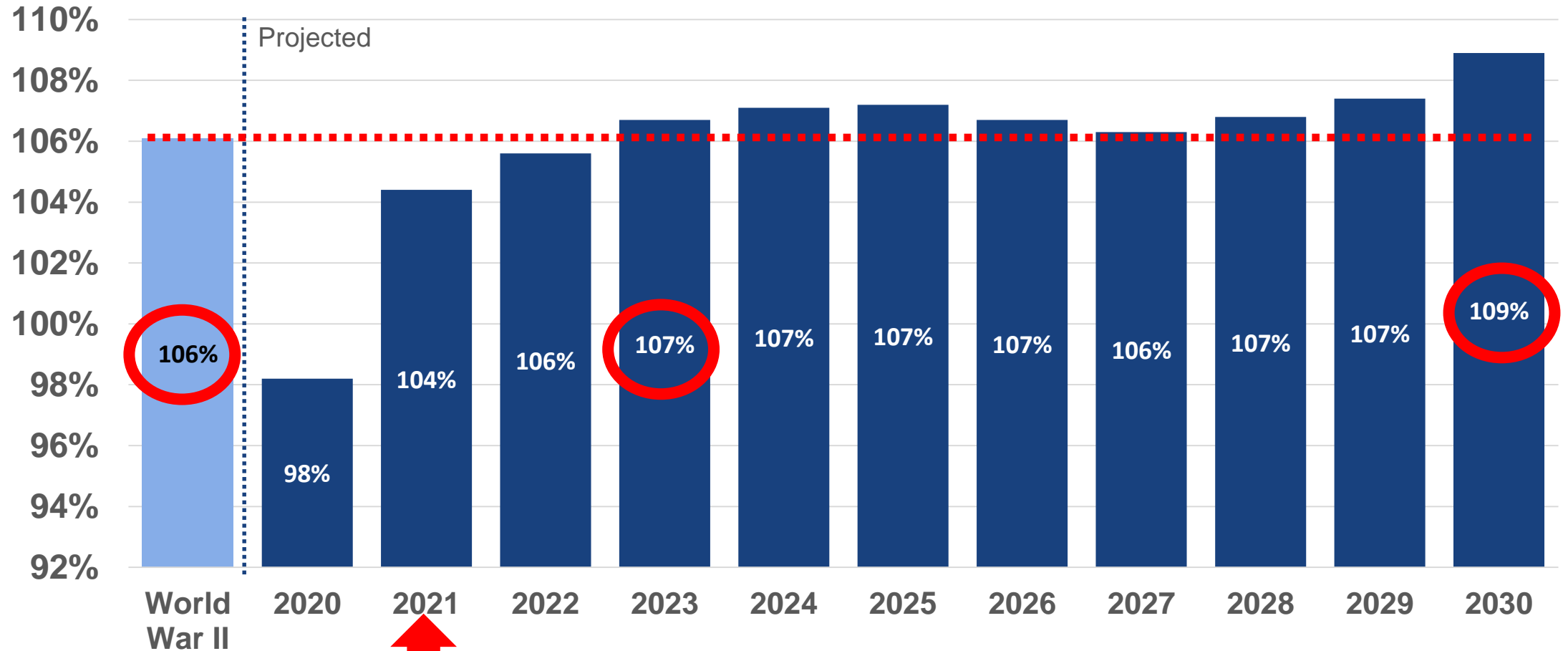
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# With significant consequences on near-term budget deficits



# Post-COVID, a record no one wants

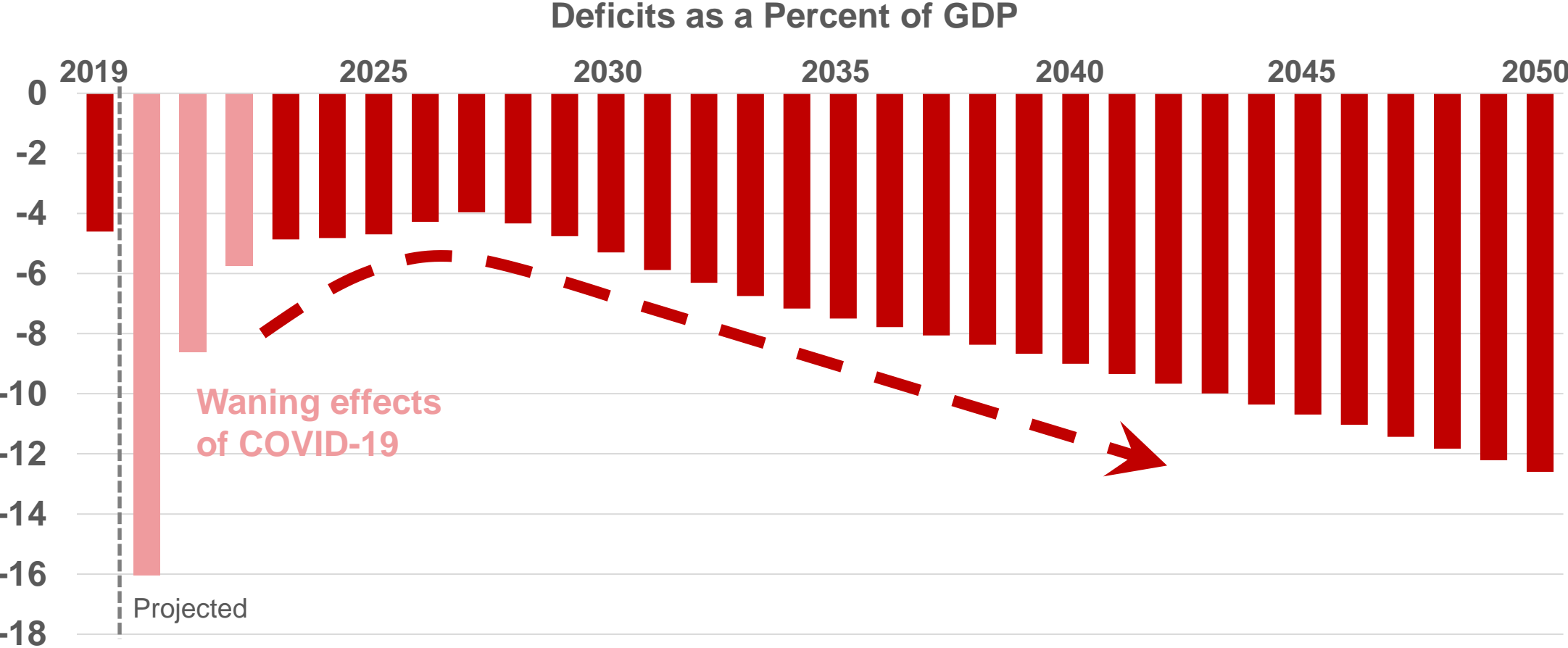
Debt Held by the Public as a Percent of GDP



Source: Congressional Budget Office, *Update to the Budget Outlook*, September 2020

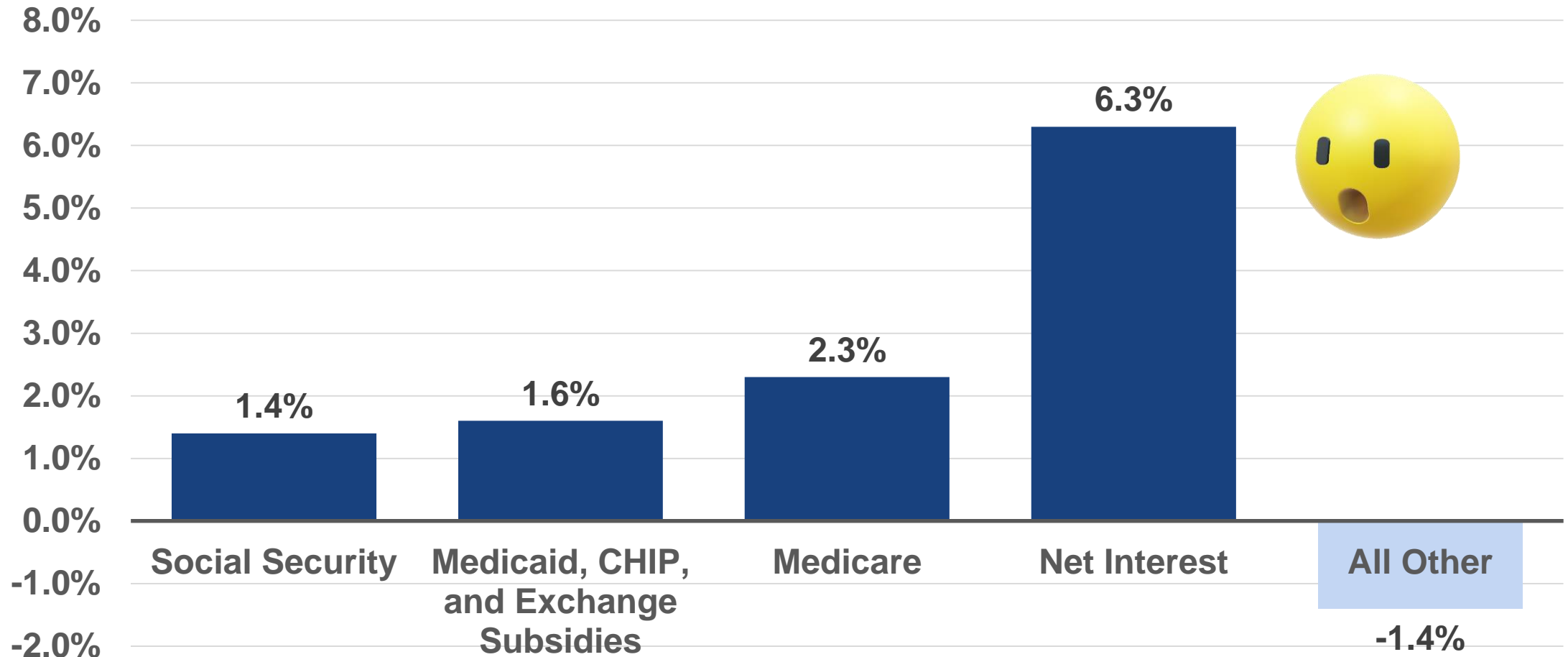
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# Our nation's fiscal challenges do not end with COVID-19



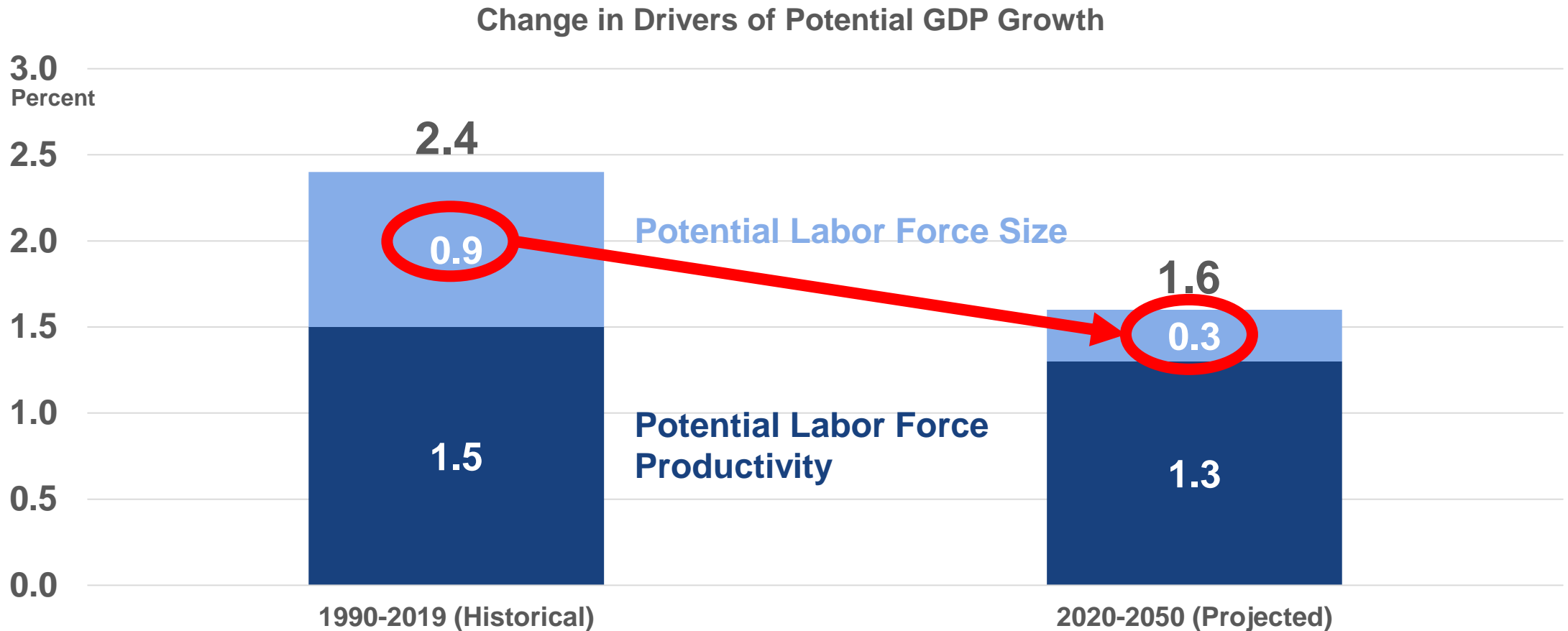
# Entitlements and interest costs drive spending

Change in Outlays as a Percent of GDP, 2019-2050





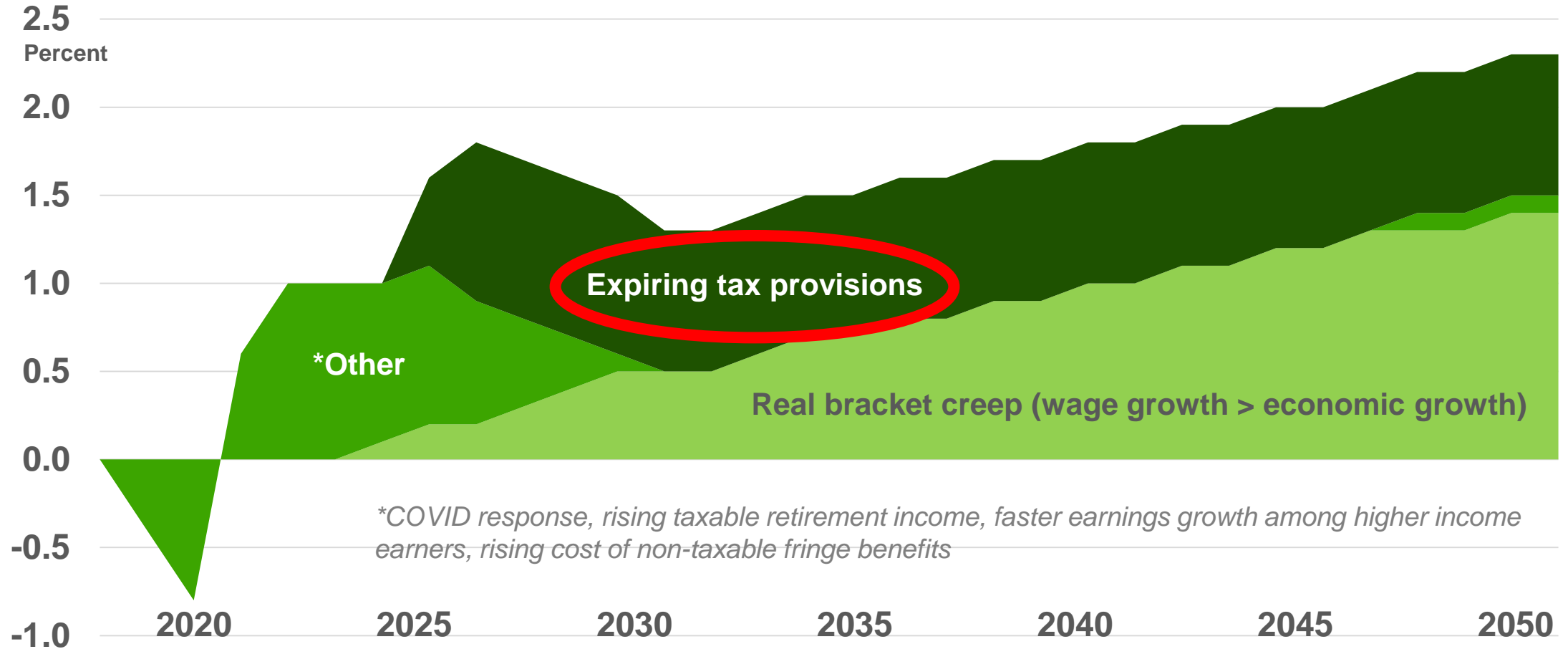
# Revenue growth is constrained by factors affecting output



Source: Congressional Budget Office, *The Long-Term Budget Outlook*, September 2020

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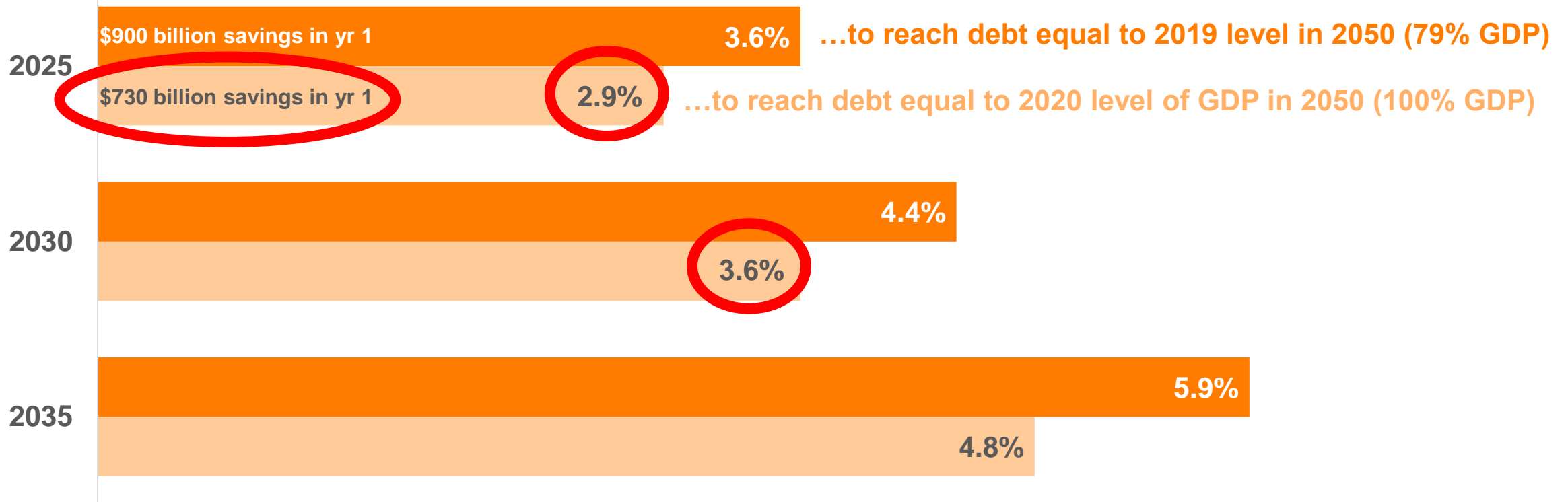
# Change in Revenues as a Percent of GDP



# Delay makes policy solutions more challenging

## Deficit Reduction Needed as a Percent of GDP

Deficit reduction needed  
by starting in fiscal year...



# Why should **YOU** care about the debt?

- Like climate change, once debt becomes a conspicuous problem, it may be too late.
- Rising debt reduces the fiscal space needed to respond to the next crisis (natural disasters, war, pandemic)
- Interest costs, even under low interest rates, will grow and crowd out needed investments (student loan reform, green energy, health insurance for all, nextgen infrastructure)
- Politicians have strong incentives to leave the debt problem for future generations ... YOURS.
- **As a consequence, your generation will be less wealthy and have fewer opportunities than your parents.**
- **But you can change this trajectory!**