



If “Catastrophic” Then, What Today?

July 18, 2011

Rep. Steny Hoyer (D-MD): “I am absolutely convinced that the long term consequences of refusing to come to grips with the necessity to balance our budget will be catastrophic.” [Jan. 26, 1995](#).

- ❖ In **FY 1995**, the deficit was [\\$164 billion](#). **This year**, OMB projects it to be [\\$1.65 trillion](#), an increase of **906%**.
- ❖ In **FY 1995**, the deficit as a share of GDP was [2.2%](#). **This year**, OMB predicts it will reach [9.8%](#) of GDP, an increase of **345%**.
- ❖ On **January 26, 1995**, the national debt was [\\$4.8 trillion dollars](#). **Today**, it is [\\$14.29 trillion](#), an increase of **198%**.
- ❖ In **1995**, debt held by the public hovered near [51.4%](#) of GDP, and CBO projected it would reach 57% of GDP by 2004. **This year**, the national debt is projected to be [68.9%](#) of GDP by the end of the year, and CBO forecasts that it will rise to **75.6%** of GDP by 2021.
- ❖ In **FY 1995**, the federal government spent [\\$1.52 trillion](#). **This year**, OMB estimates it will to reach [\\$3.82 trillion](#), an increase of **151%**.
- ❖ On **January 26, 1995**, the price of gold was [\\$381](#). On **July 18, 2011**, it was [\\$1599](#), an increase of **320%**.
- ❖ Those dramatic increases **dwarf** economic growth, with real GDP increasing by only [49%](#) from Q1 1995 to Q1 2011.
- ❖ In **January 1995**, the unemployment rate was [5.6%](#). **Today**, the unemployment rate is [9.2%](#).