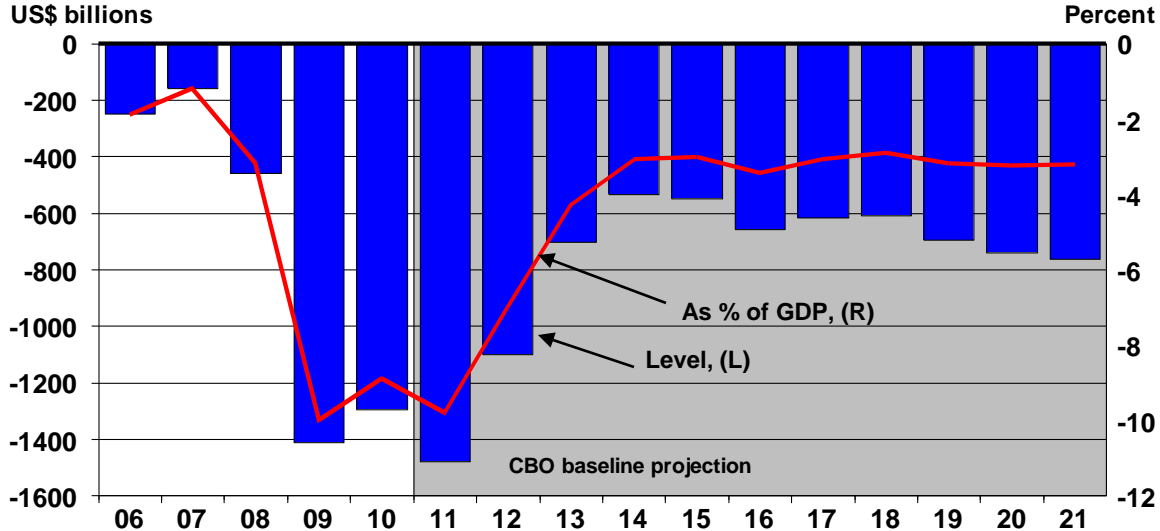


Federal budget deficit trajectory

CBO budget outlook



MILKEN INSTITUTE



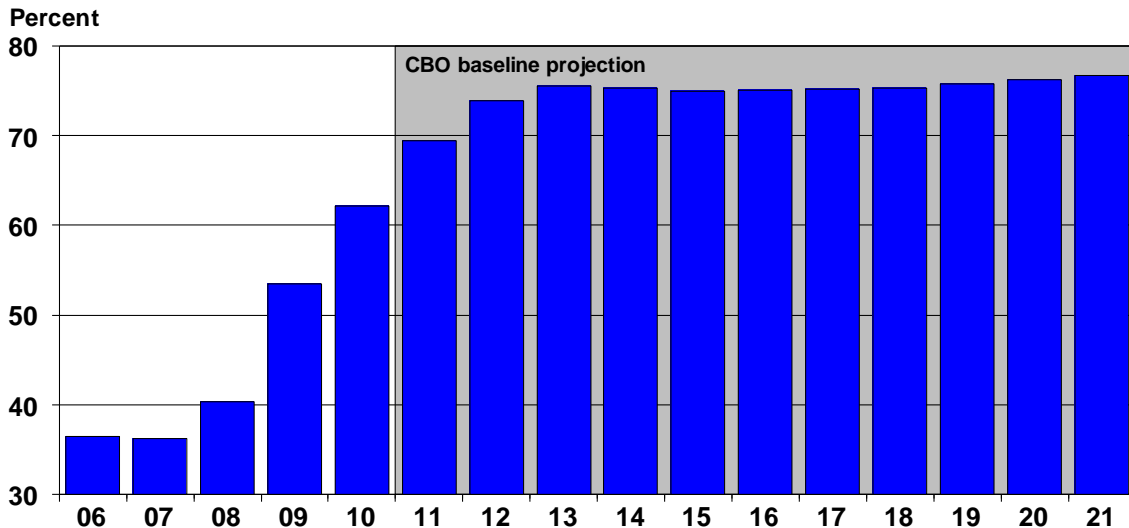
Source: Congressional Budget Office.

Publicly-held debt as share of GDP

CBO budget outlook



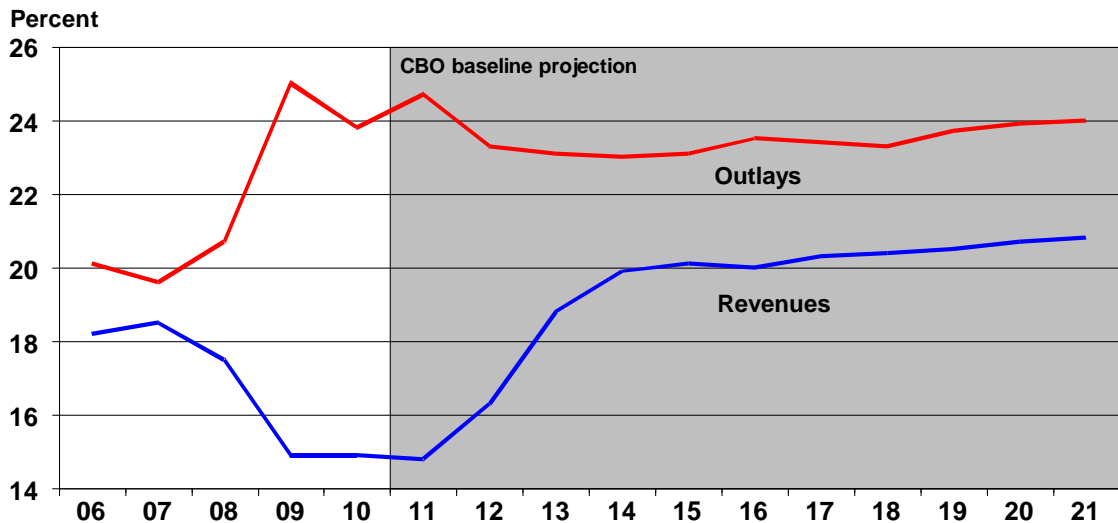
MILKEN INSTITUTE



Source: Congressional Budget Office.

Revenues and outlays as share of GDP

CBO budget outlook



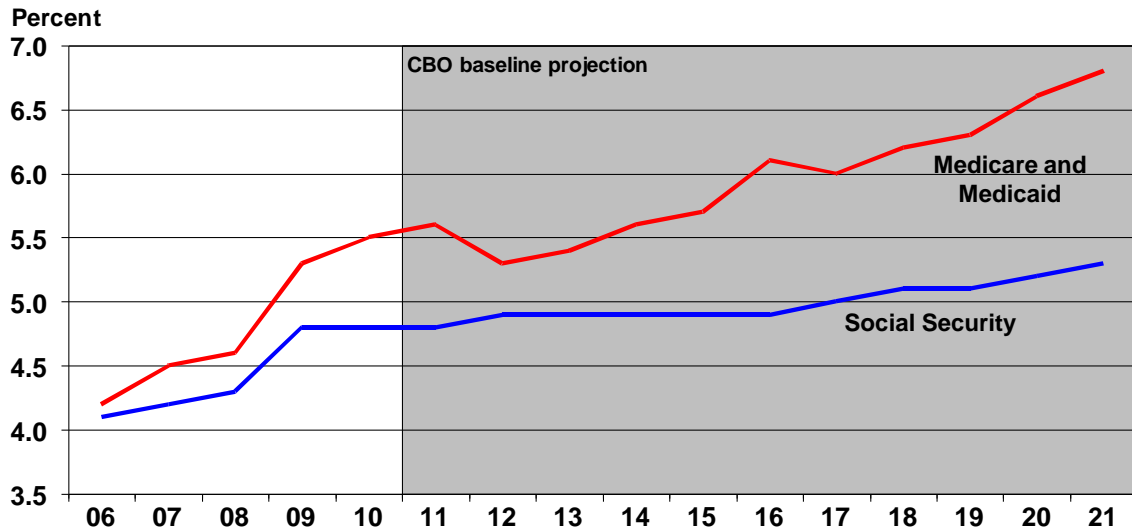
Source: Congressional Budget Office.

Outlays for mandatory spending as share of GDP

CBO budget outlook

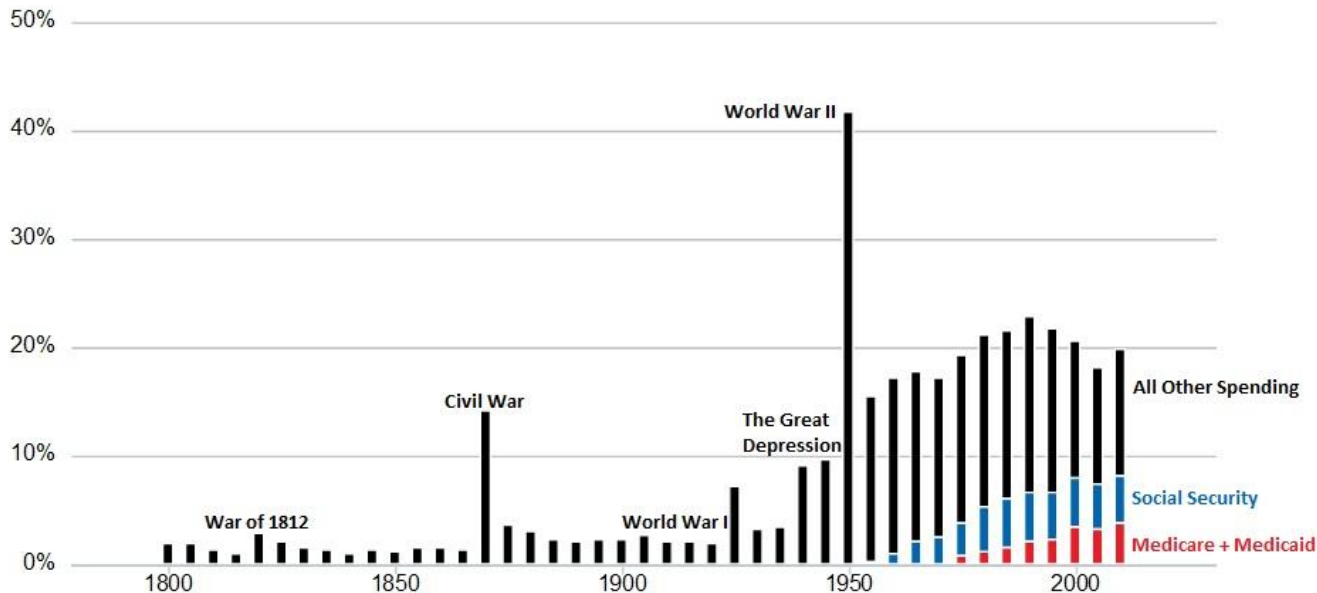


MILKEN INSTITUTE



Source: Congressional Budget Office.

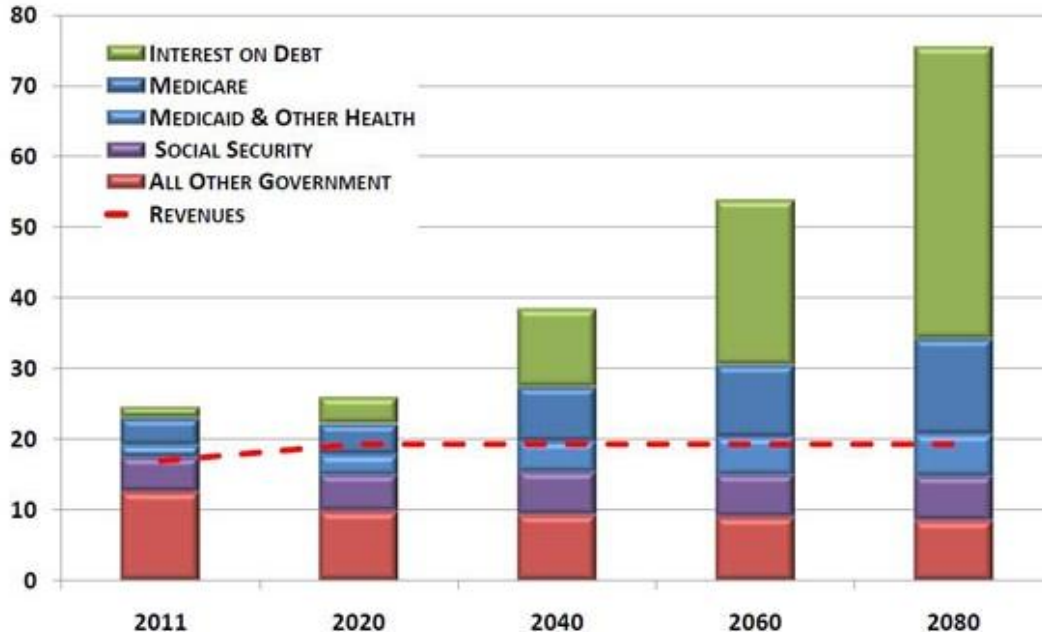
Federal outlays as a percent of GDP



Government spending* as a percentage of GDP



MILKEN INSTITUTE



SOURCE: OMB /CBO

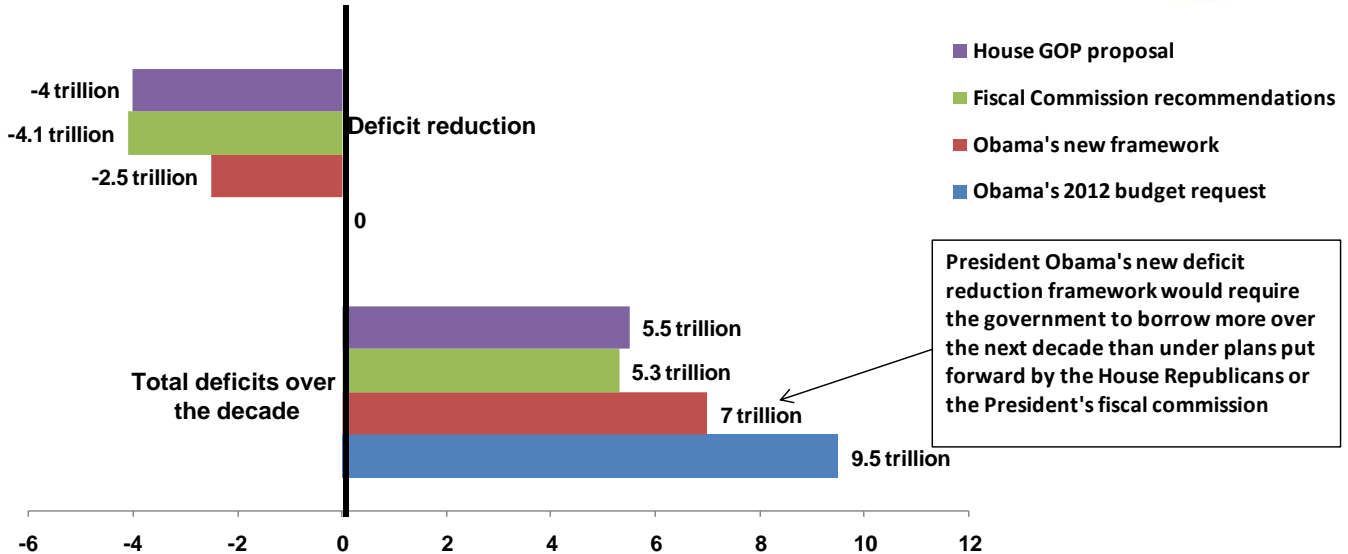
*CBO's alternative fiscal scenario from the Long Term Budget Outlook- June 2010 (Revised August 2010)

Deficit comparison of four plans

Cuts in spending and changes in tax collections



MILKEN INSTITUTE



Sources: Committee for a Responsible Federal Budget, The Washington Post.

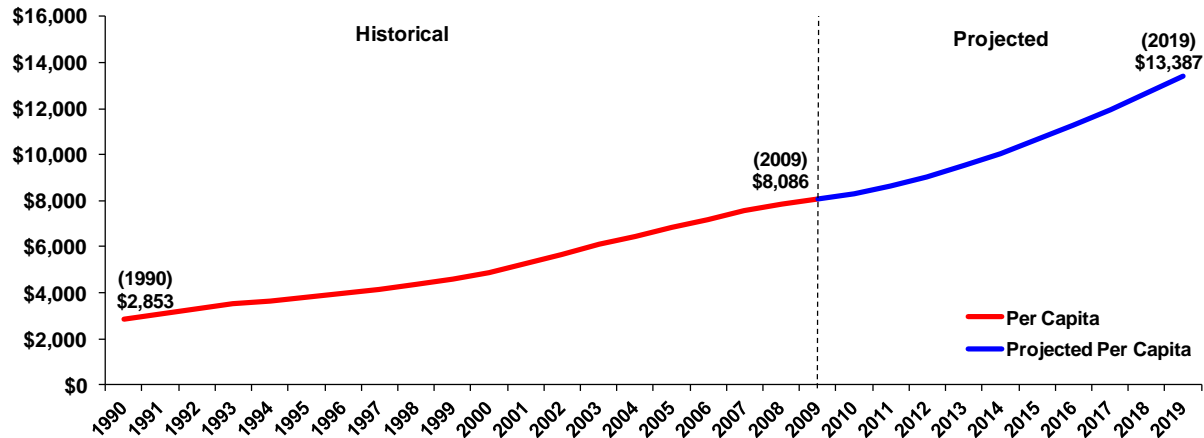
*Cuts compared with a current-policy baseline that assumes Bush-era tax cuts are made permanent on income under \$250k, but allowed to expire on income above that amount.

National health expenditures per capita

1990-2019



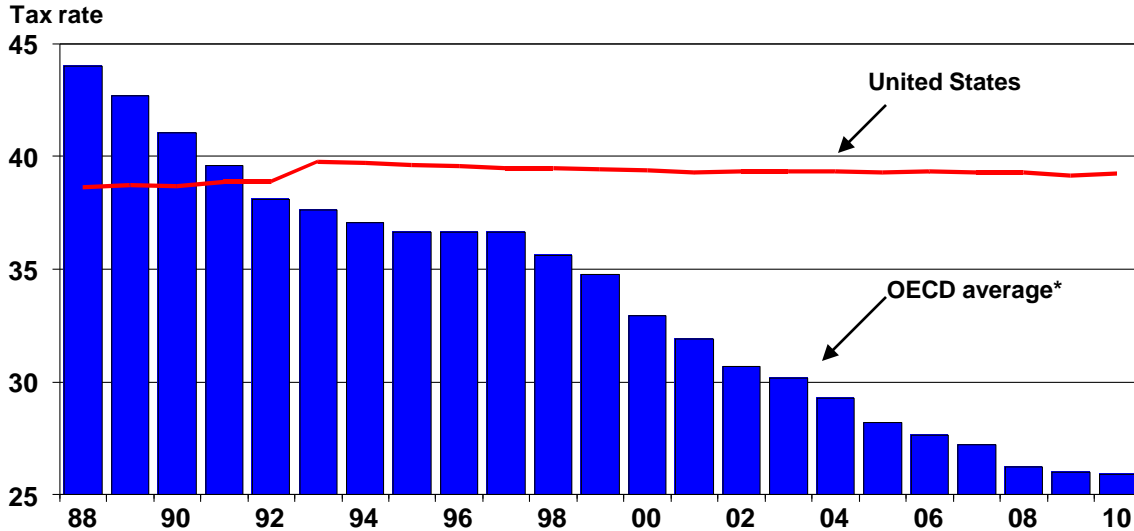
MILKEN INSTITUTE



Sources: Centers for Medicare and Medicaid Services, Office of the Actuary, National Health Statistics Group.

Statutory corporate income tax rates

OECD average vs. United States



Sources: OECD, Milken Institute.

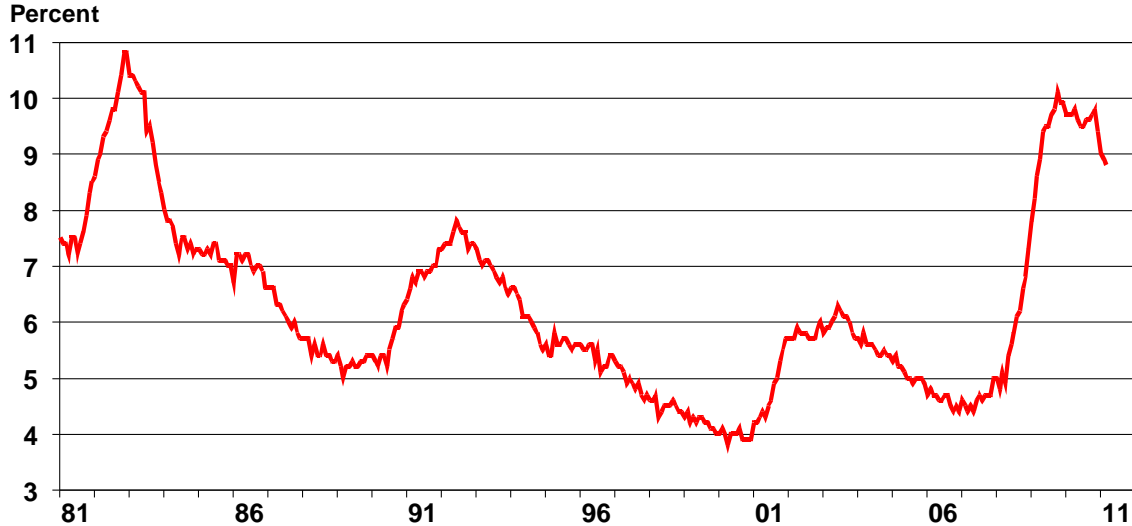
*OECD average includes Chile from 2000 onward

Unemployment rate

Civilian unemployment rate



MILKEN INSTITUTE



Sources: Bureau of Labor Statistics, IHS Global Insight.

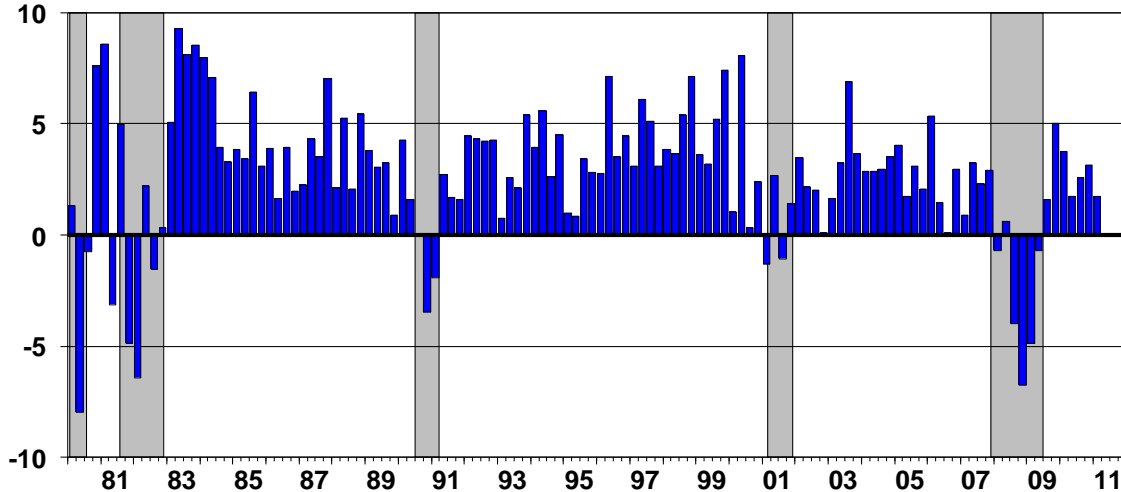
Real gross domestic product

United States



MILKEN INSTITUTE

Compound annual growth rate



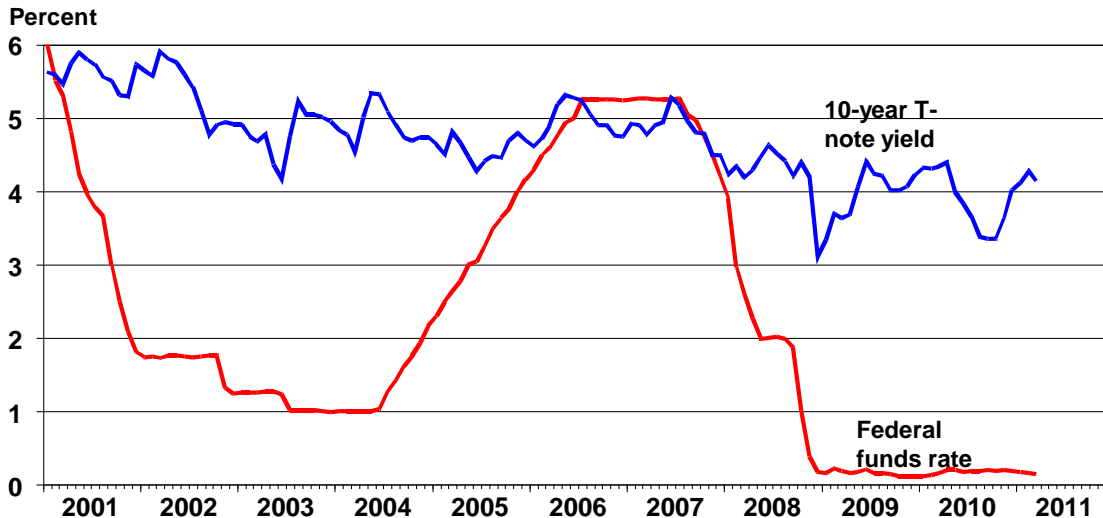
Sources: Bureau of Economic Analysis, IHS Global Insight.

Interest rates



MILKEN INSTITUTE

Fed funds rate vs. 10-year bond yield



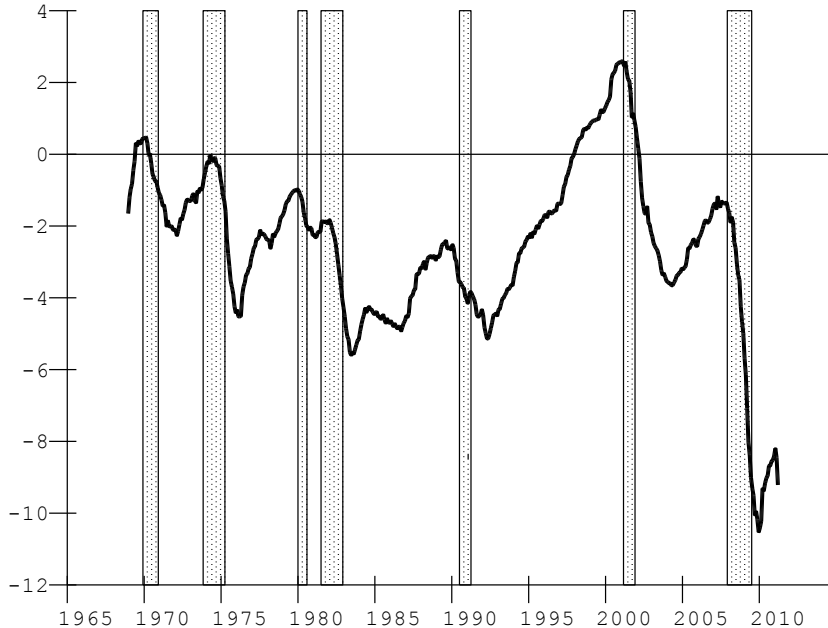
Sources: Federal Reserve Board, IHS Global Insight.

U.S. Federal Budget 12 Mo. SAAR

% Nominal GDP Mar -9.2% e



MILKEN INSTITUTE



Sources: ISI Group.

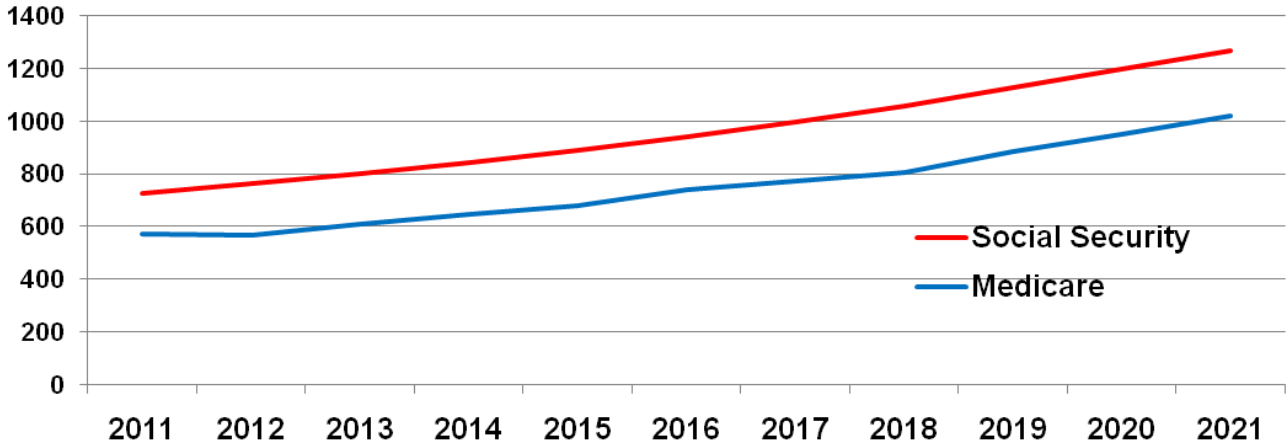
Who is Most Broke?



2009 Numbers	GDP \$Tr	Gov Bonds as a % of GDP
China	4.9	29
India	1.2	40
Indonesia	0.5	17
Euro Area	12.5	72
UK	2.2	54
Japan	5.1	192
US	14.3	64

Over the next several years, Social Security's cost growth exceeds that of any other federal program.

Outlays in \$ Billions



Source: Congressional Budget Office