



## The Daily Dish

# The Economic and Budget Outlook

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Budgets are not a Trump Administration strong point. Upon inauguration, the administration did release a “skinny budget,” which amounted to requests aimed at the Appropriations committees in the House and Senate. Separate discussions on revenues arose in the course of the debate over the One Big Beautiful Bill Act. There has not been any serious look at mandatory spending.

The administration’s Office of Management and Budget [did](#) release a Mid-Session Review of the Budget, but it was a joke, with no single table containing year-by-year projections of revenues, outlays, deficits, and debts. And, to date, there has been no President’s Budget, even though the deadline was the first week in February.

To be fair, it has been a long time since any president hit the deadline, but full-scale budgets ultimately appeared. Those budgets were exercises in imposing order and discipline on the administration. They required complete disclosure of economic assumptions, clarity about the jumping-off points, and specificity in proposals for tax and spending programs. In short, they are full of things to which this extemporizing, fact-free president appears to be allergic.

Fortunately, there remains the Congressional Budget Office (CBO), which just released its latest [Budget and Economic Outlook](#). While the volume cannot reveal the administration’s plans, it is a comprehensive presentation of and analysis of the economy and budget under current law. Read it.

Or, read Jordan Haring’s [Highlights of CBO’s February 2026 Budget and Economic Outlook](#), which covers the main points. You could also just trust Eakinomics. And trust Eakinomics, this is a sobering, but not shocking, depiction of the fiscal outlook. Per Haring:

*Budget deficits will total 6.1 percent of GDP (\$24.4 trillion) over the FY 2027 to FY 2036 budget window and total 6.7 percent of GDP (\$3.1 trillion) in FY 2036; spending*

*will total 23.8 percent of GDP (\$94.6 trillion) and revenue will total 17.7 percent of GDP (\$70.2 trillion) over the next decade.*

*...federal debt held by the public will rise from 99 percent of GDP at the end of FY 2025 to...120 percent of GDP by the end of FY 2036.*

Same old story: Spending grows faster than revenue as far as the eye can see. Deficits, debt, and interest on the debt spiral north. The singers change, but the song remains the same.

It is also completely at odds with the administration's current line: We are in an AI productivity boom that will rain prosperity on Americans and revenue on the federal government. AI and tariffs mean that our problems are solved and there is no reason for any kind of fiscal belt-tightening. In fact, in these projections CBO attributes less increase in productivity to AI than was experienced in the 1990s due to information technologies.

It may not be fun reading, but the future of debt is the most important domestic policy issue. And CBO/Haring is exactly the kind of information needed to understand that future.