



Press Release

Lowlights from CBO's Long-Term Budget Outlook 2021

ALLISON EDWARDS | MARCH 4, 2021

The Congressional Budget Office (CBO) released its updated Long-Term Budget Outlook today — largely similar to last year's — and projected that the U.S. debt will be nearly double the size of the economy by 2051. AAF's Director of Fiscal Policy Gordon Gray notes that while the COVID-19 pandemic has had a significant impact on the *level* of debt as a share of gross domestic product, the overall trajectory of debt accumulation is still driven by demographics.

His central points:

- According to CBO, debt held by the public will reach 202 percent of gross domestic product in 2051;
- This report essentially confirms CBO's September update, which indicated that the COVID-19 pandemic has given rise to substantial borrowing, but the long-term fiscal trajectory of the United States remains a function of long-standing budgetary pressures; and
- Before long, stabilizing the debt will require an unprecedented fiscal consolidation.

[Read the analysis.](#)