United States Senate
REPUBLICAN POLICY COMMITTEE
Fast Facts
John Thune, Chairman
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Drivers of Debt Are Entitlements, Not Defense

The Joint Committee on Deficit Reduction will hold a hearing tomorrow with Congressional Budget Office (CBO) Director Douglas Elmendorf to discuss the history and drivers of our country's debt.

Independent analyses of the federal budget by CBO make clear that the federal debt is primarily being driven by entitlement spending.

- Mandatory spending (excluding TARP) in FY10 was $2 trillion, almost three times the $689 billion spent on defense.
- Spending on Social Security alone was greater than defense spending in FY10; and when adding in Medicare and Medicaid, these entitlements cost twice as much as defense.
- Defense spending in FY15 is projected to be $756 billion, while mandatory spending will hit $2.3 trillion—more than triple defense spending.
- Discretionary spending will decline over the next 10 years under the Budget Control Act, but that decline is "more than offset … by increases relative to GDP in both mandatory spending and net interest payments."
- By 2021, defense spending will amount to 3.6 percent of GDP, while mandatory spending will jump to 13.8 percent of GDP.

The defense budget should, of course, be subject to the same scrutiny as all other federal programs. But the fact remains that federal spending on defense is dwarfed by entitlements, and the difference will only grow over time unless steps are taken to reform the entitlement programs that are the biggest drivers of our debt.

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