

American Fiscal Sustainability: Is the U.S. Heading for Major Financial Trouble?

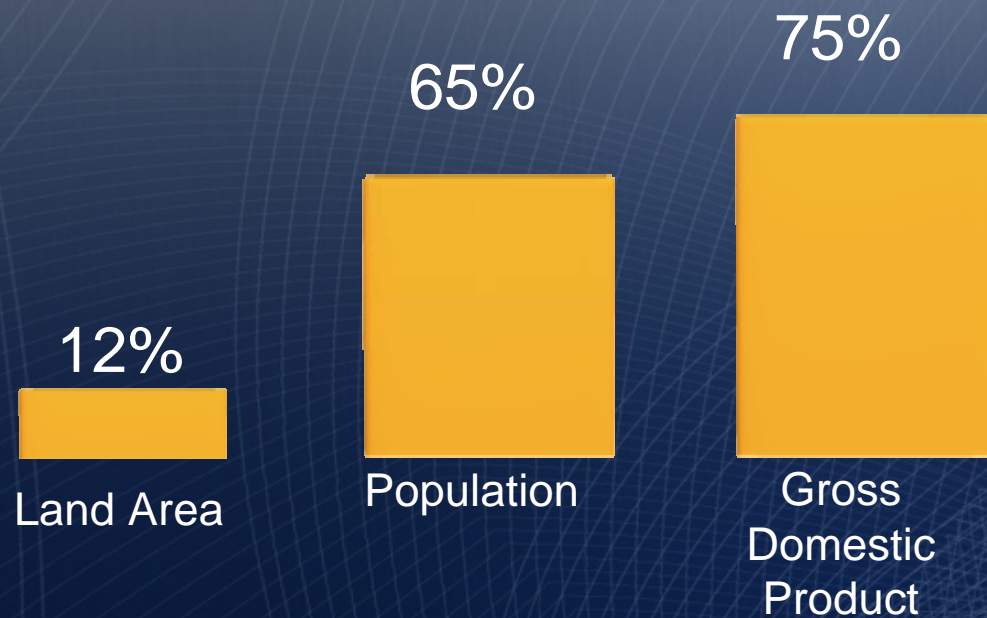
National Association of Regional Councils
Keynote Presentation: Alice M. Rivlin
February 5, 2008

The nation's largest metro areas contain a concentration of innovation, human capital, infrastructure, and quality place assets.



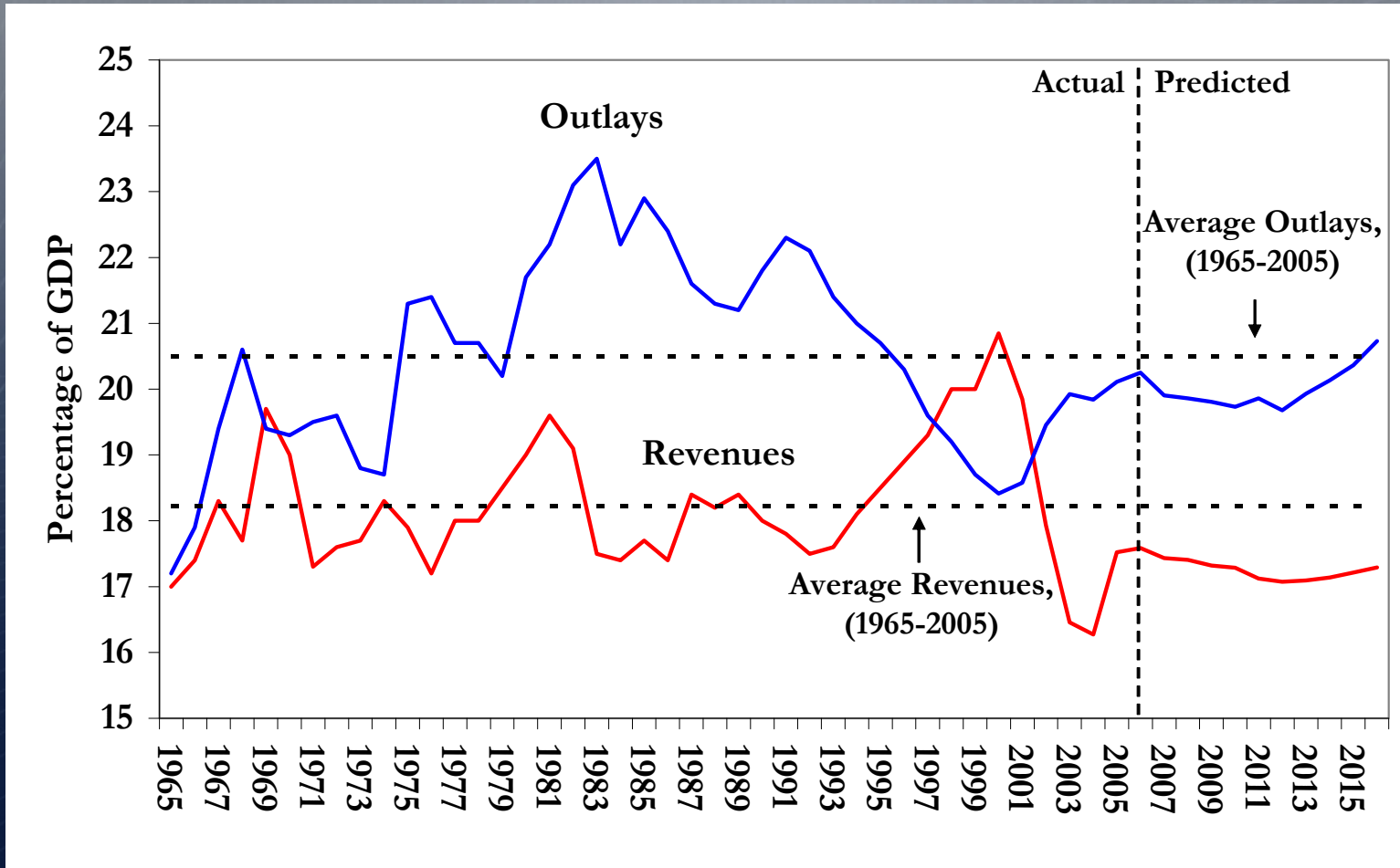
Source: BEA data

As a result of these assets, the top 100 metros generate 75 percent of the nation's GDP



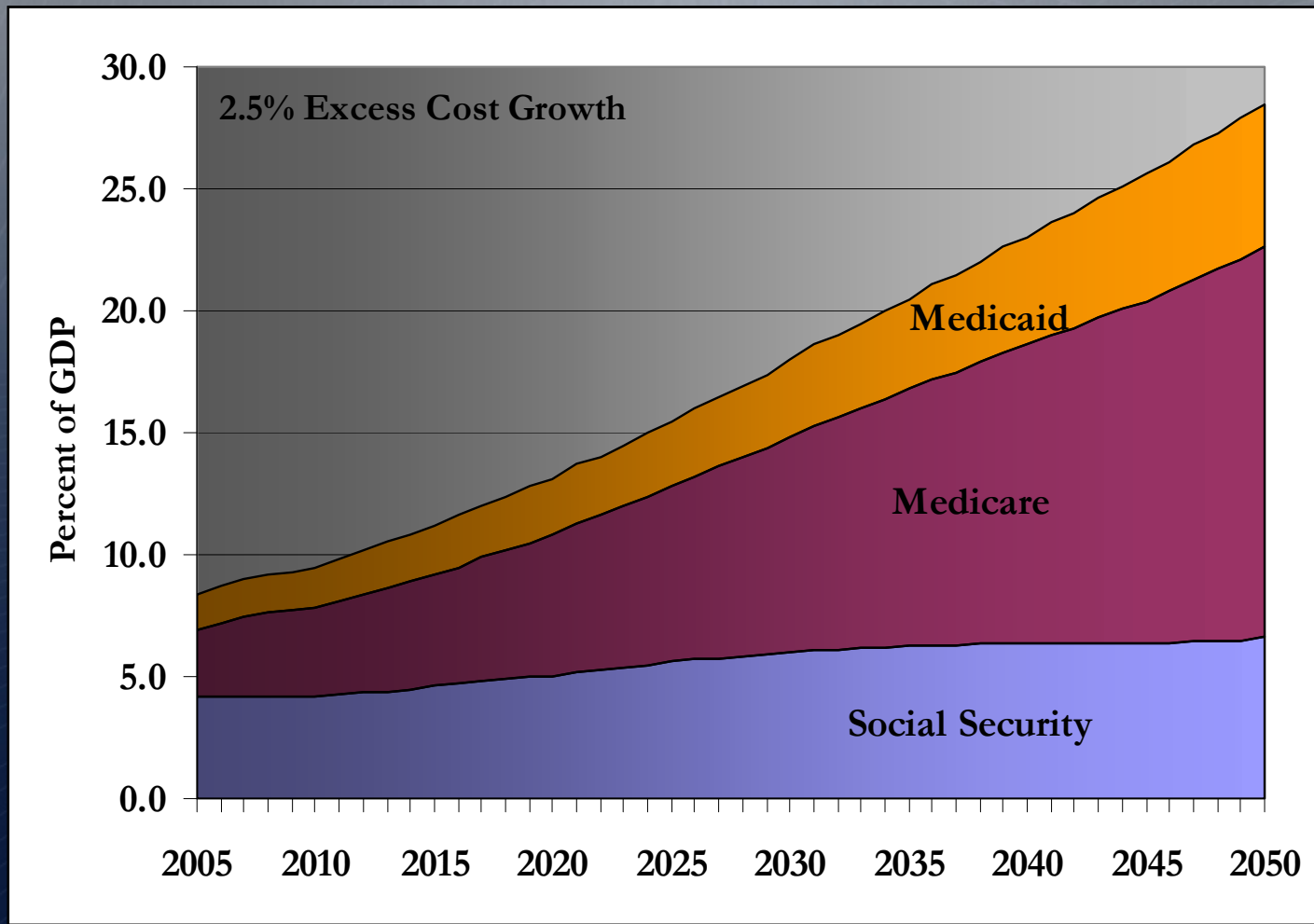
Source: Brookings analysis of U.S Census Bureau, BLS, and, BEA data

Federal Revenue and Outlays (as a Percentage of GDP, 1965-2016)



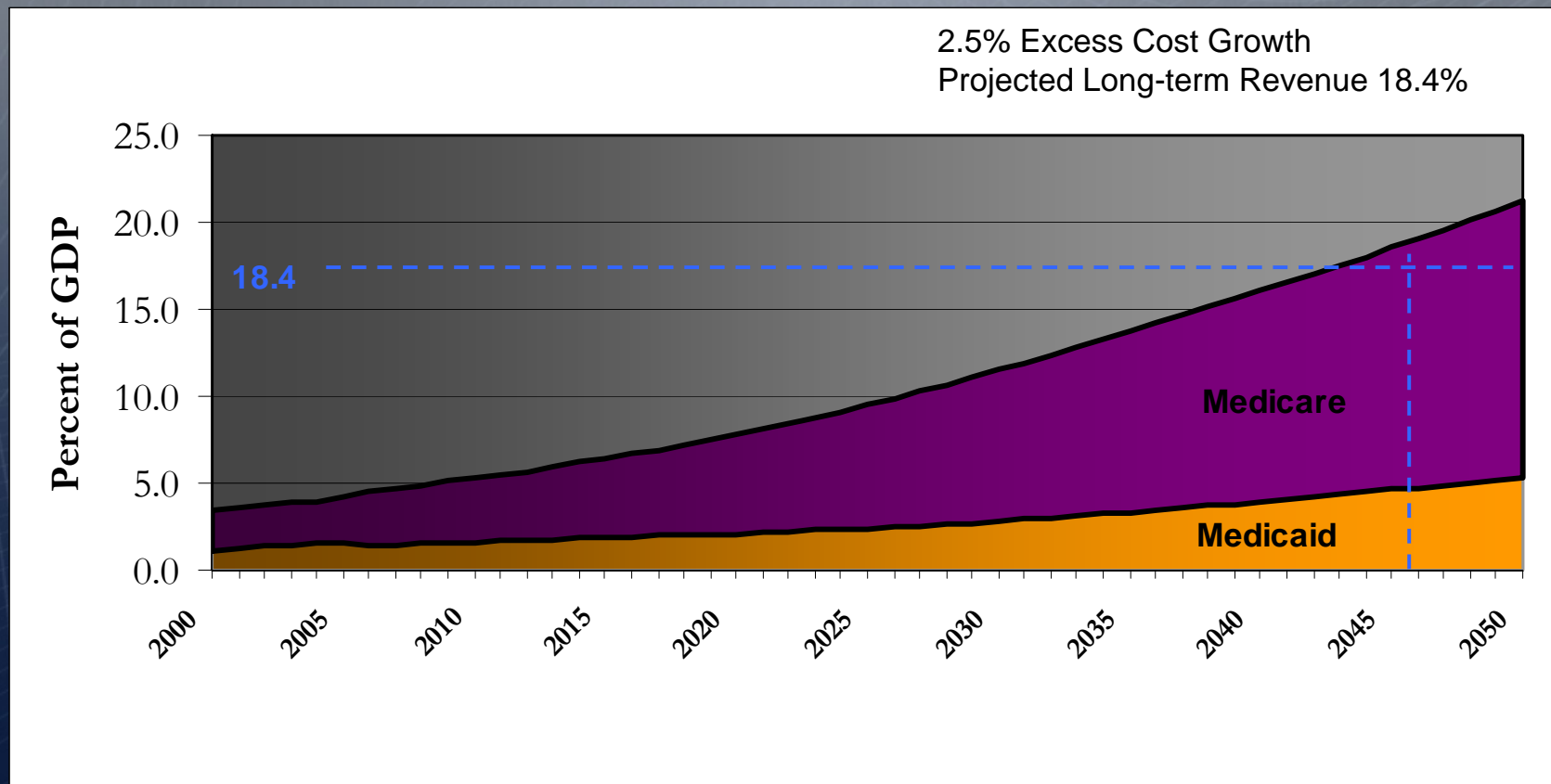
Source: FY 2007 Budget of the United States Government, Historical Table 1.2; Brookings-Urban Tax Policy Center, Budget Outlook Tables, January 2006, Appendix 3

Entitlement programs projected to absorb almost all revenues by 2030



Source: Congressional Budget Office, The Long-Term Budget Outlook, December 2005, Scenario 1

Federal Health Programs Projected to Absorb Almost All Revenues by 2045



Source: Congressional Budget Office, The Long-Term Budget Outlook, December 2003, Scenario 1