



U.S. Budgetary And Economic Trends

FAIRMONT
CONSULTING GROUP

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Preface

- ❑ Fairmont Consulting Group helps clients make important strategic decisions based on rigorous research and synthesis of information from multiple sources, with transparent, objective analysis of the associated data
- ❑ In an election season characterized by a dishearteningly low “signal to noise ratio”, the following charts are intended to offer a clearly sourced fact base relating to a range of important U.S. economic and budgetary topics
- ❑ We offer a series of charts which illuminate long-term trends, and where appropriate, we illustrate those trends on a constant-dollar (inflation-adjusted) basis, and on a per capita basis
- ❑ We hope that you find these exhibits interesting and useful as you contemplate business decisions in the weeks, months, and years ahead

Contents And Sources

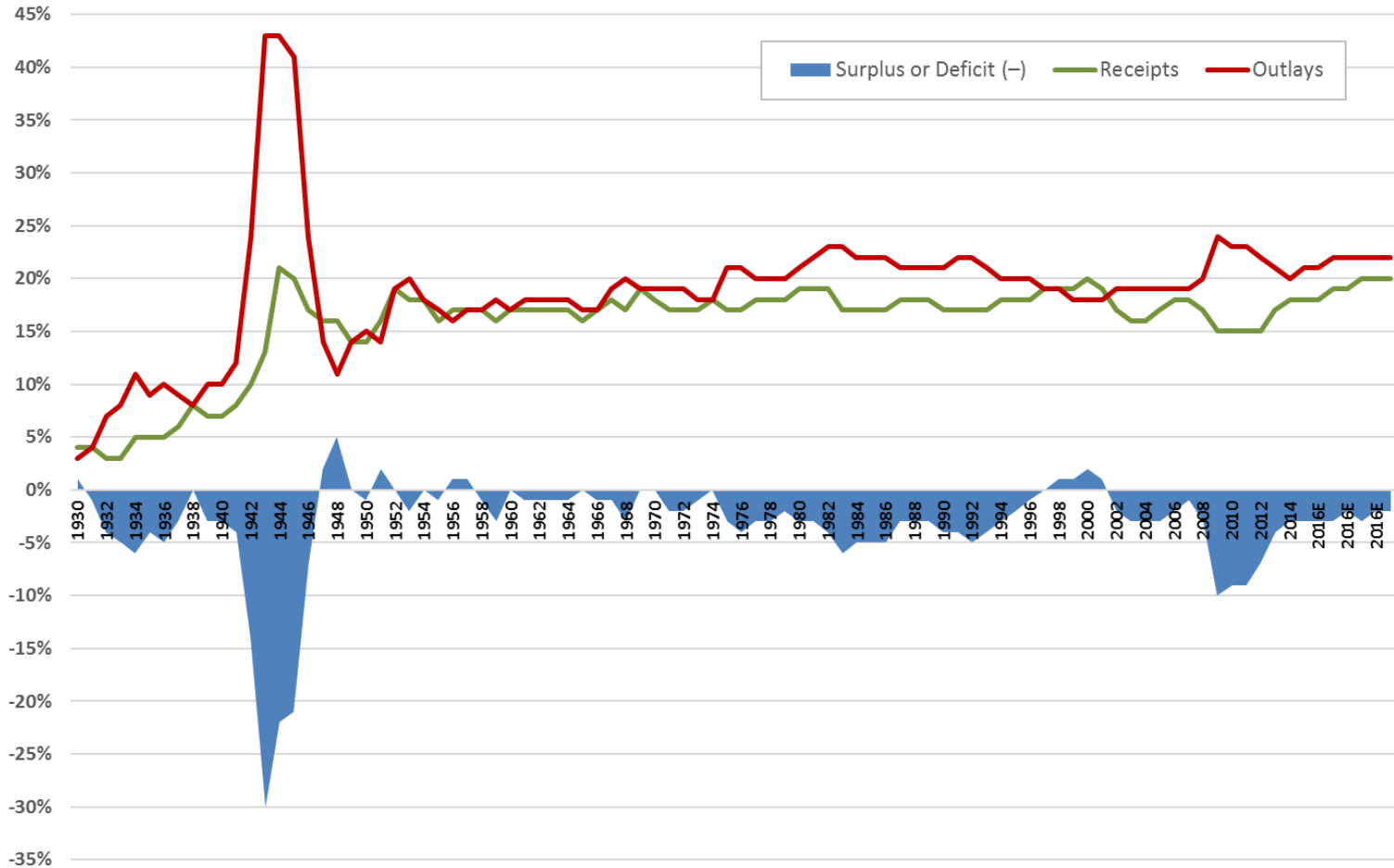
All data are drawn from official U.S. government sources noted below

- 1. Federal Outlays Have Exceeded Federal Receipts In 73 Of The Past 86 Years (1930-2016)**
 - White House Office of Management & Budget: Table 1.2—SUMMARY OF RECEIPTS, OUTLAYS, AND SURPLUSES OR DEFICITS (–) AS PERCENTAGES OF GDP: 1930–2021
- 2. Federal Debt Has Grown From \$5.2T in 1996 to \$19.3T in 2016; Debt Per Worker* Has Grown From \$24k to \$72k**
 - U.S. Treasury Department: TABLE OFS-2.—Estimated Ownership of U.S. Treasury Securities; AND White House Office of Management & Budget: Table 3.1—OUTLAYS BY SUPERFUNCTION AND FUNCTION: 1940–2021; Bureau of Labor Statistics: Table 7-6: U.S. LABOR FORCE
- 3. China Is The Largest Current International Holder Of U.S. Debt, Closely Followed By Japan; Others Trail Significantly**
 - U.S. Treasury Department: MAJOR FOREIGN HOLDERS OF TREASURY SECURITIES (TIC DATA) – July 2016
- 4. Per Capita GDP Has Grown Steadily Since 1940, But Has Been Outpaced By Growth In Federal Debt Since 1980**
 - Office of Management & Budget: Table 3.1—OUTLAYS BY SUPERFUNCTION AND FUNCTION: 1940–2021; Table 7.1—FEDERAL DEBT AT THE END OF YEAR: 1940–2021; Table 10.1—GROSS DOMESTIC PRODUCT AND DEFLATORS USED IN THE HISTORICAL TABLES: 1940–2021; Table 6.1—COMPOSITION OF OUTLAYS: 1940–2021; Bureau of Labor Statistics: Table 7-6: U.S. LABOR FORCE
- 5. Inflation-Adjusted Federal Spending Per Worker Has Doubled Over The Past Four Decades To ~\$23k Today**
 - White House Office of Management & Budget: Table 3.1—OUTLAYS BY SUPERFUNCTION AND FUNCTION: 1940–2021; Bureau of Labor Statistics: Table 7-6: U.S. LABOR FORCE
- 6. DoD Budget Authority Has Levelled Off Following Significant Decline Over Past Six Years**
 - Department of Defense, FY2017 Green Book: Table 6-8: DEPARTMENT OF DEFENSE BUDGET AUTHORITY BY PUBLIC LAW TITLE
- 7. Active Duty Military Today Represents <1% Of Total US Workforce; Continuous Downward Trend Over Time**
 - Bureau of Labor Statistics: Table 7-6: U.S. LABOR FORCE
- 8. Individual Income Tax & Social Security Tax Have Generated Majority Of Federal Receipt Increases Over Past 40 Years**
 - Office of Management & Budget: Table 2.1—RECEIPTS BY SOURCE: 1934–2021; Table 10.1—GROSS DOMESTIC PRODUCT AND DEFLATORS USED IN THE HISTORICAL TABLES: 1940–2021
- 9. Taxes Per Worker (Constant FY09\$ Basis) Have Increased From ~\$12k In 1980 To ~\$20k In 2016**
 - Office of Management & Budget: Table 2.1—RECEIPTS BY SOURCE: 1934–2021; Bureau of Labor Statistics: Table 7-6: U.S. LABOR FORCE
- 10. Top Quintile And Top 5% Saw Significant Income Gains 1980-2000; Static Income Across All Groups Since Then**
 - United States Census Bureau: Table H-3. Mean Household Income Received by Each Fifth and Top 5 Percent, All Races: 1967 to 2015
- 11. U.S. Trade Deficit Has Stabilized At ~\$500B; Growing Services Trade Balancing Excess Imports Of Goods**
 - United States Census Bureau: FT900 US International Trade In Goods and Services
- 12. US Exports Of Civil (Commercial) Aircraft Have Nearly Doubled Over The Past Ten Years**
 - United States Census Bureau: End-Use Exports Dataset - Foreign Trade Statistics bureau
- 13. U.S. Defense Exports Have Increased Since 2011, But Represent A Fraction Of Commercial Aero Exports**
 - United States Census Bureau: End-Use Exports Dataset - Foreign Trade Statistics bureau

Federal Outlays Have Exceeded Federal Receipts In 73 Of The Past 86 Years (1930-2016)

CHART 1

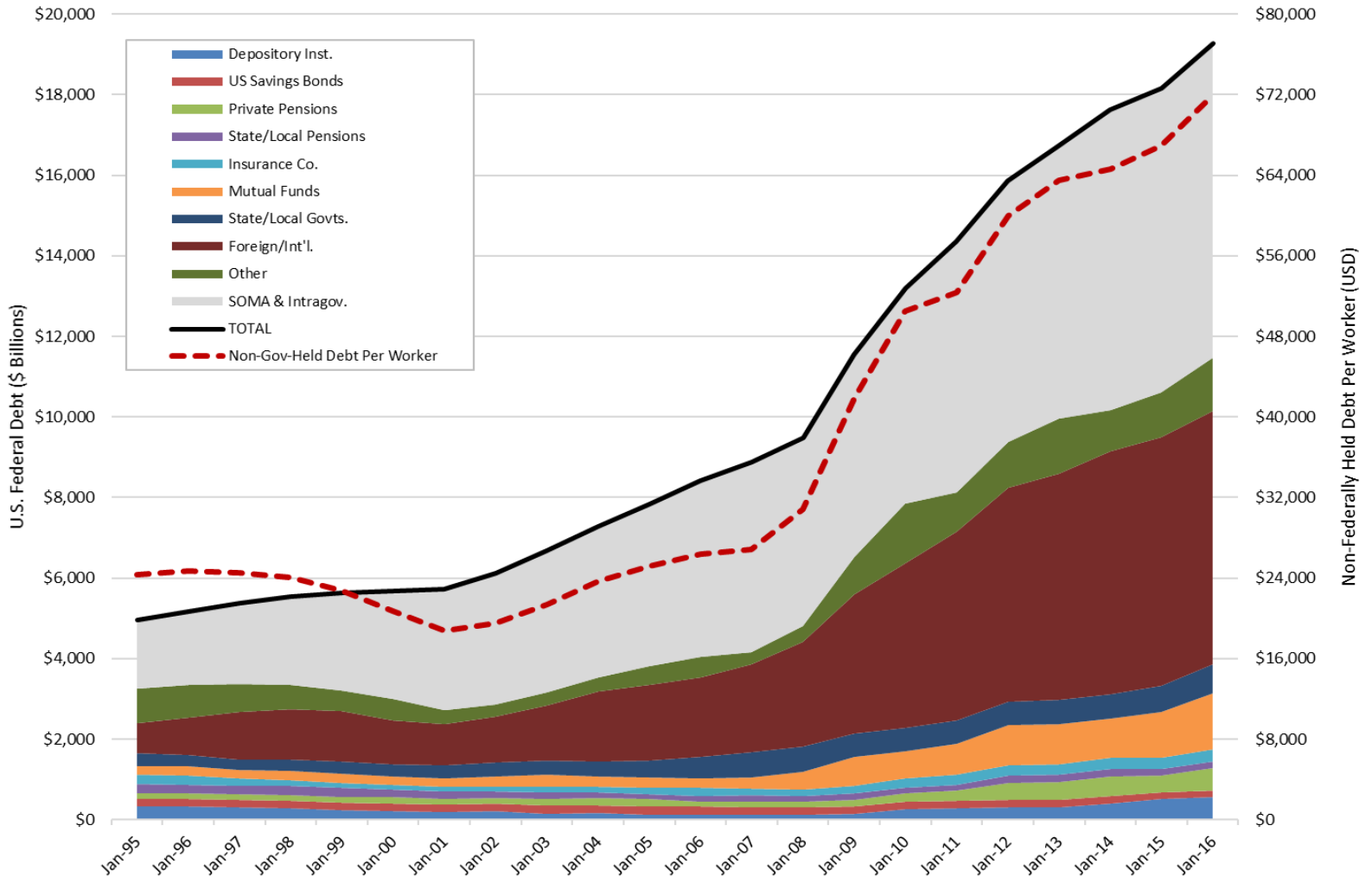
Federal Receipts, Outlays & Surplus / Deficit
As % Of GDP, 1930 - 2016E



Federal Debt Has Grown From \$5.2T in 1996 to \$19.3T in 2016; Debt Per Worker* Has Grown From \$24k to \$72k

CHART 2

Estimated Ownership Of U.S. Treasury Securities
\$ Billions (Current Dollars)

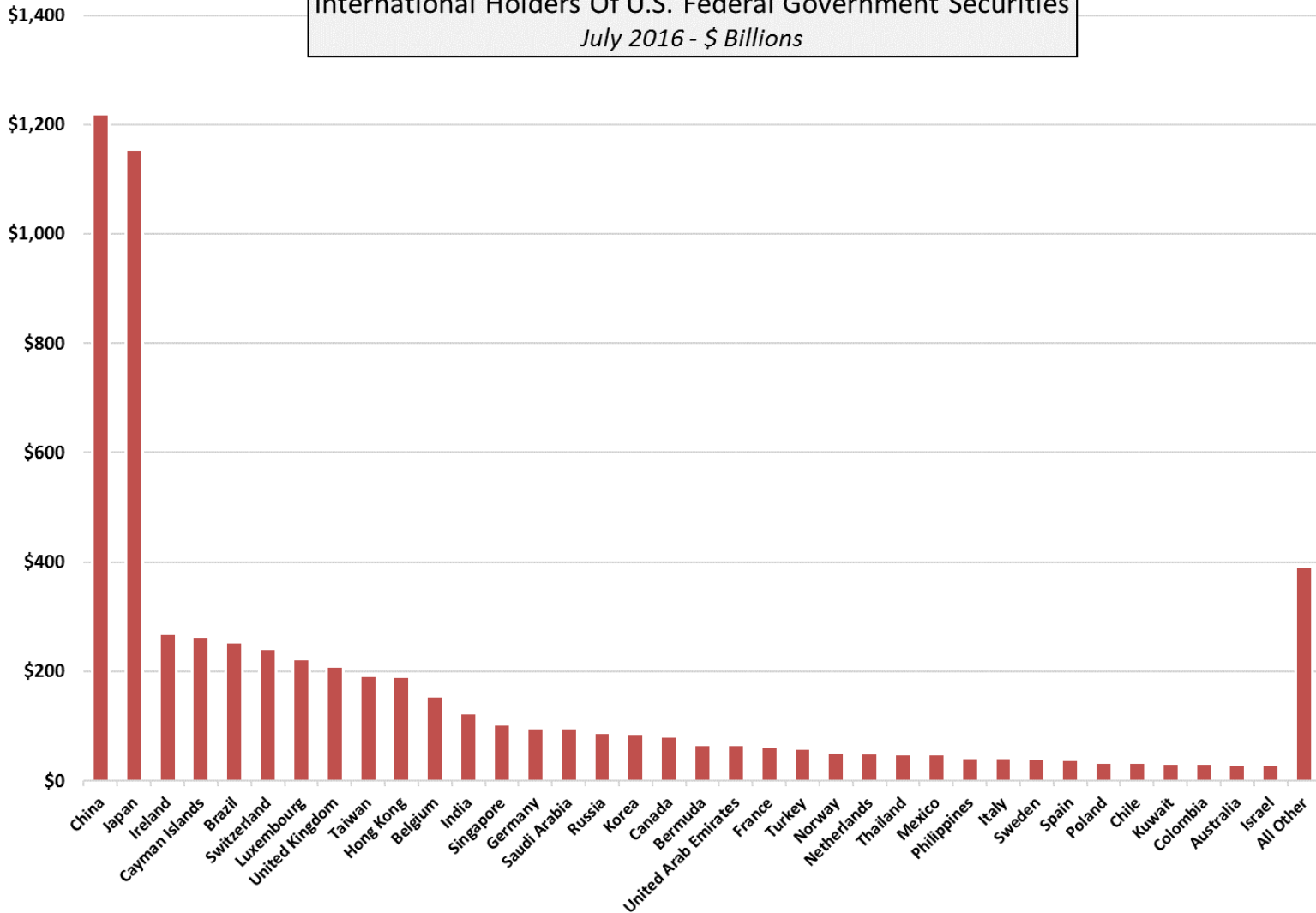


* Non-US Government Held Debt - excludes SOMA And Intragovernmental Holdings

China Is The Largest Current International Holder Of U.S. Debt, Closely Followed By Japan; Others Trail Significantly

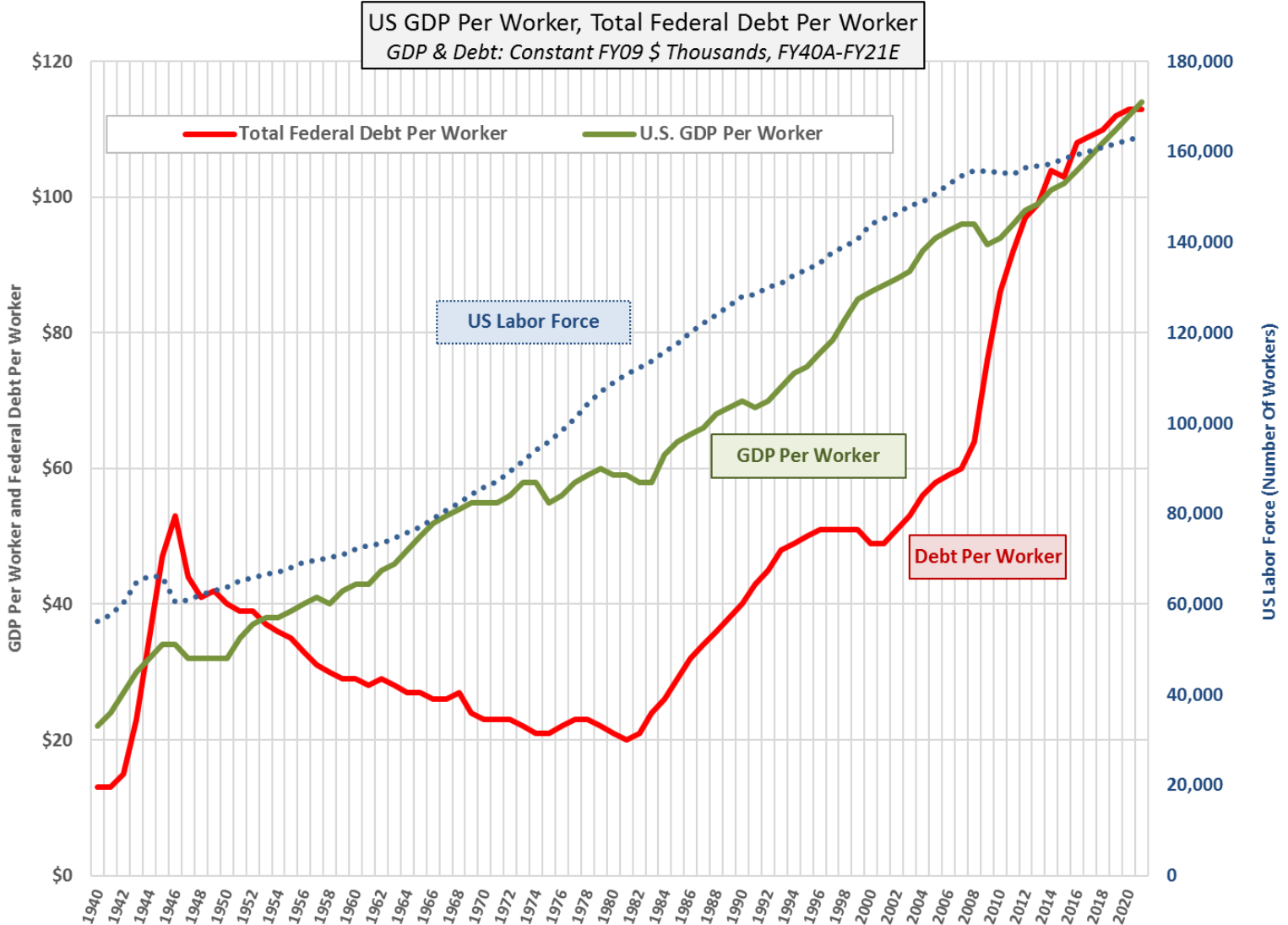
CHART 3

International Holders Of U.S. Federal Government Securities
July 2016 - \$ Billions



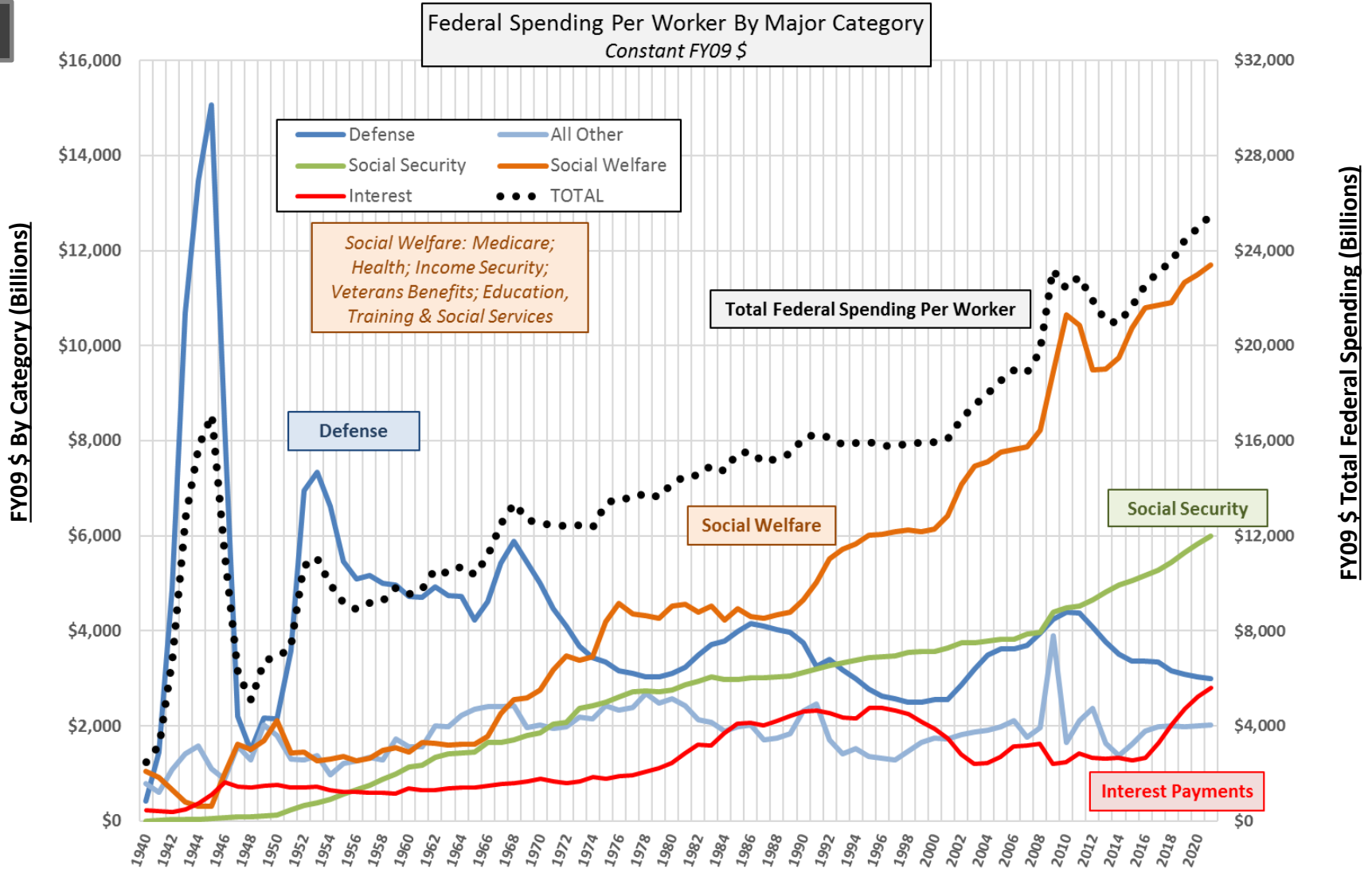
Per Capita GDP Has Grown Steadily Since 1940, But Has Been Outpaced By Growth In Federal Debt Since 1980

CHART 4



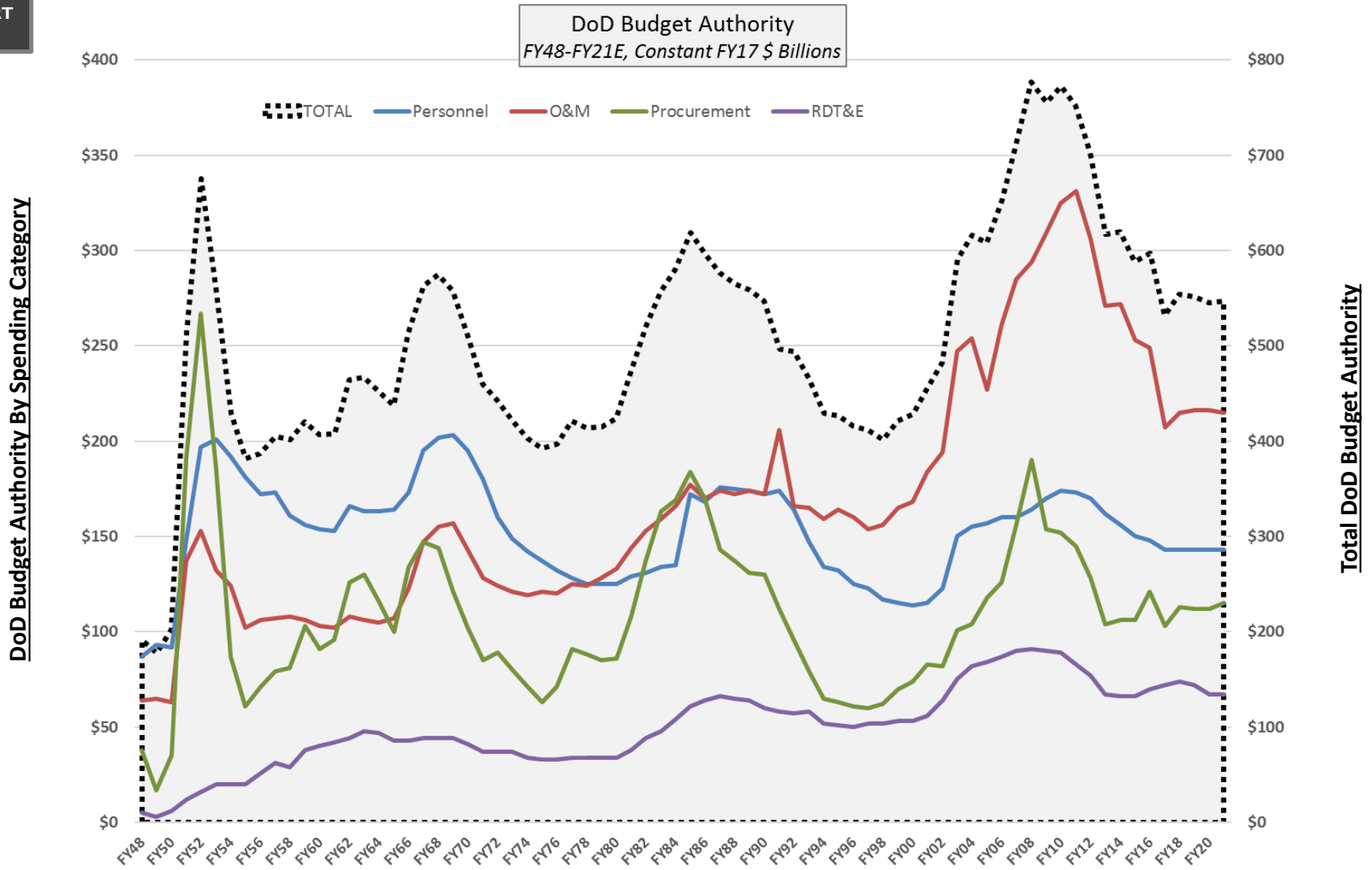
Inflation-Adjusted Federal Spending Per Worker Has Doubled Over The Past Four Decades To ~\$23k Today

CHART 5



DoD Budget Authority Has Levelled Off Following Significant Decline Over Past Six Years

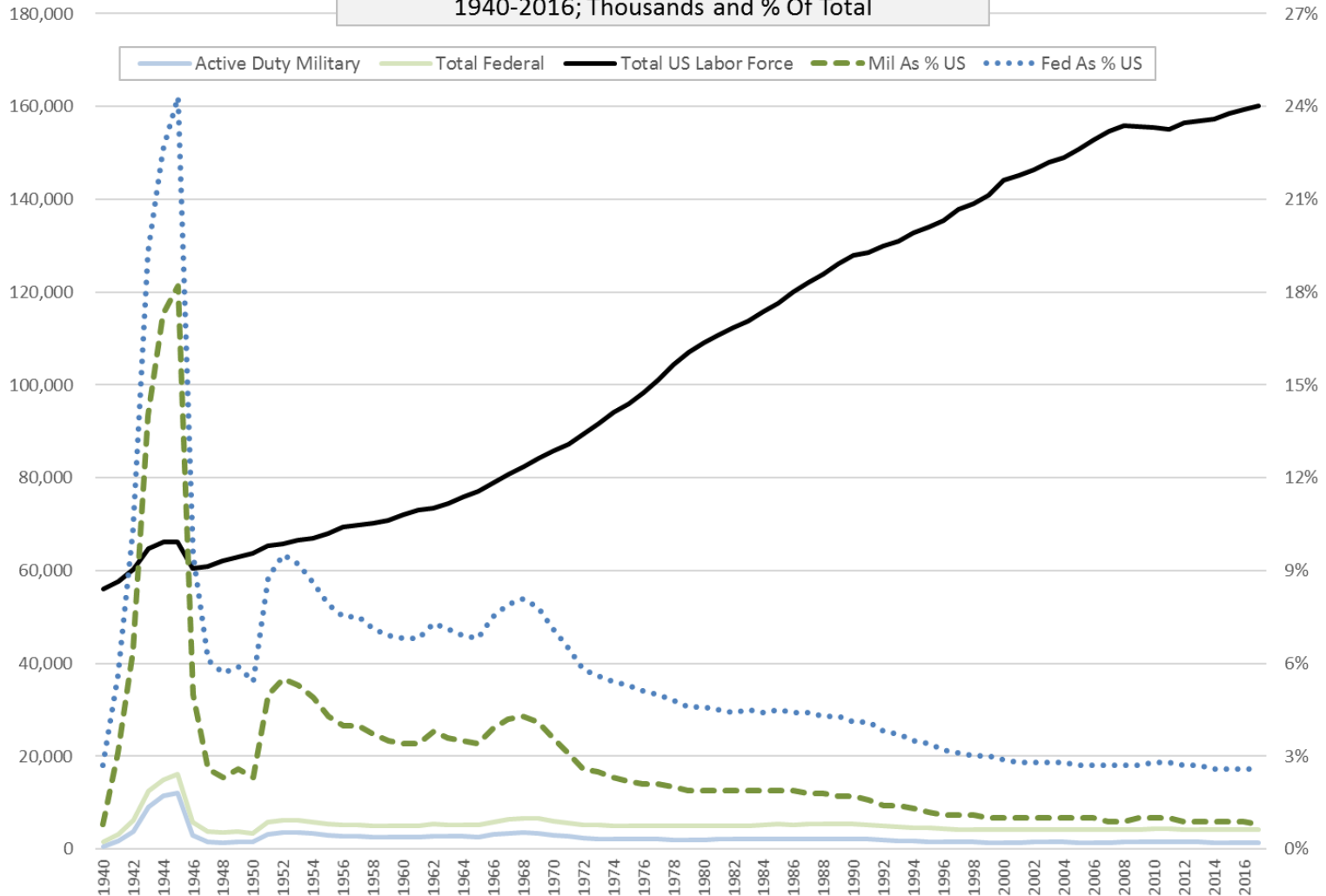
CHART 6



Active Duty Military Today Represents < 1% Of Total US Workforce; Continuous Downward Trend Over Time

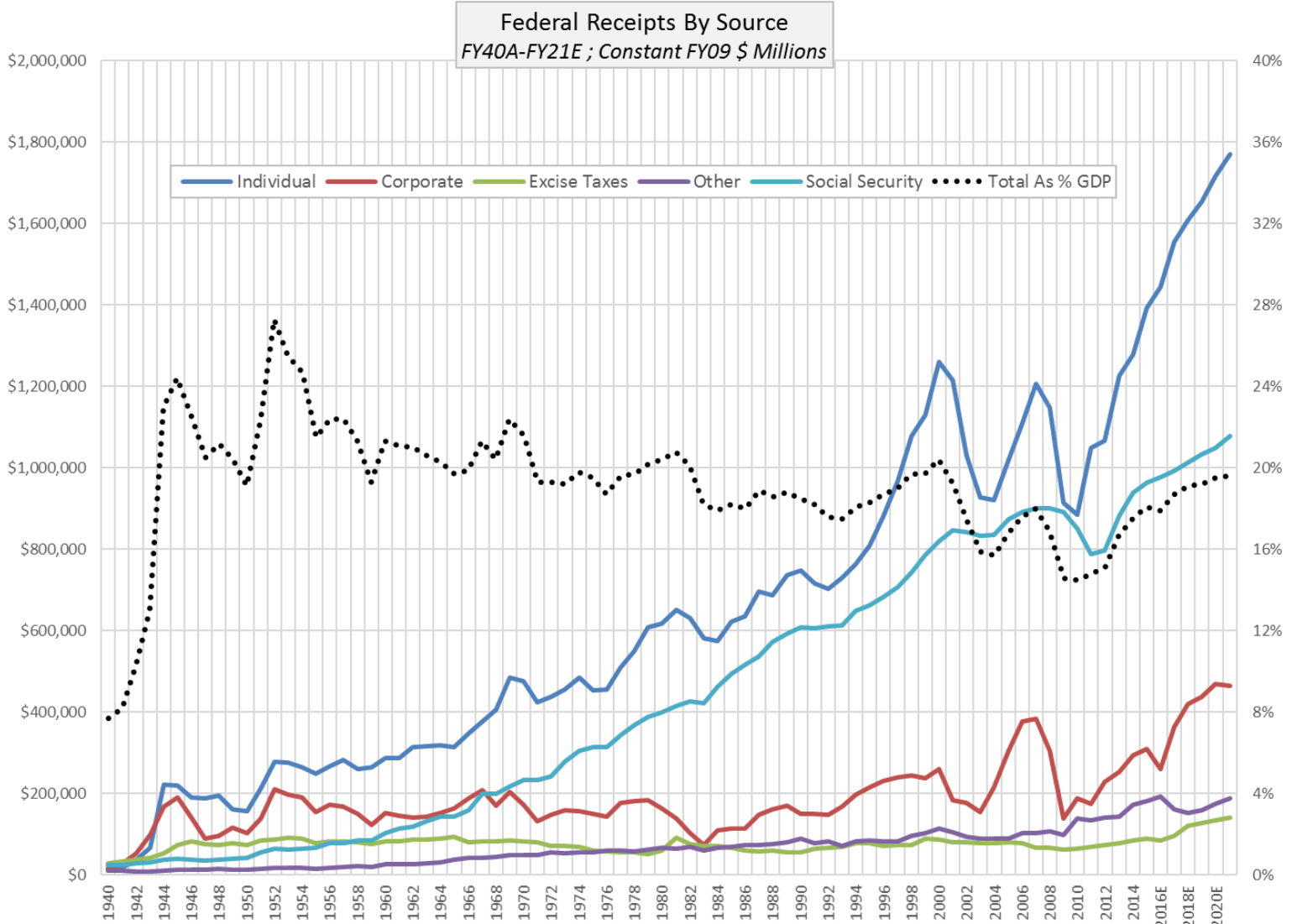
CHART 7

US Total Workers, Federal Workers, & Active Duty Military 1940-2016; Thousands and % Of Total



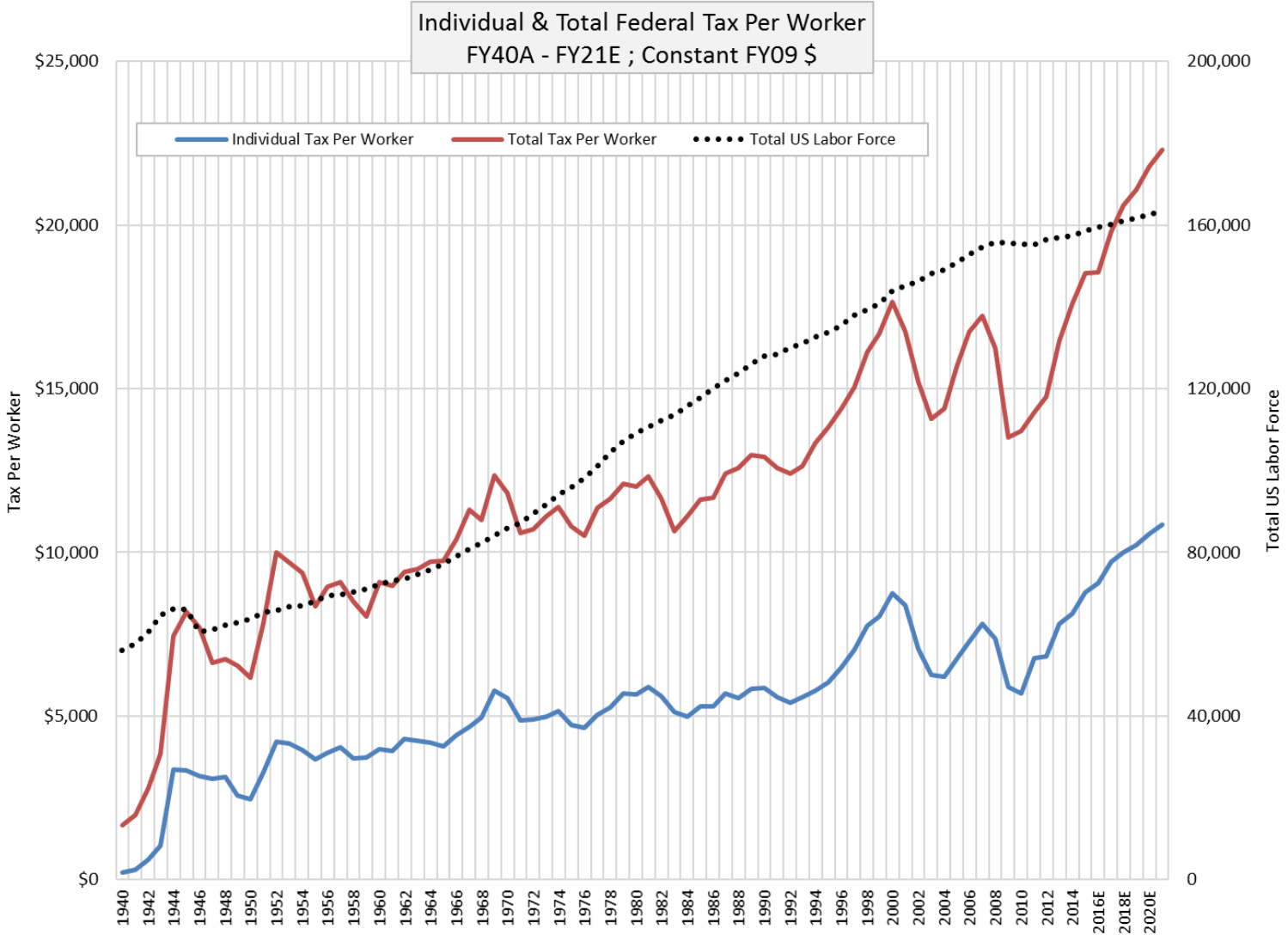
Individual Income Tax & Social Security Tax Have Generated Majority Of Federal Receipt Increases Over Past 40 Years

CHART 8



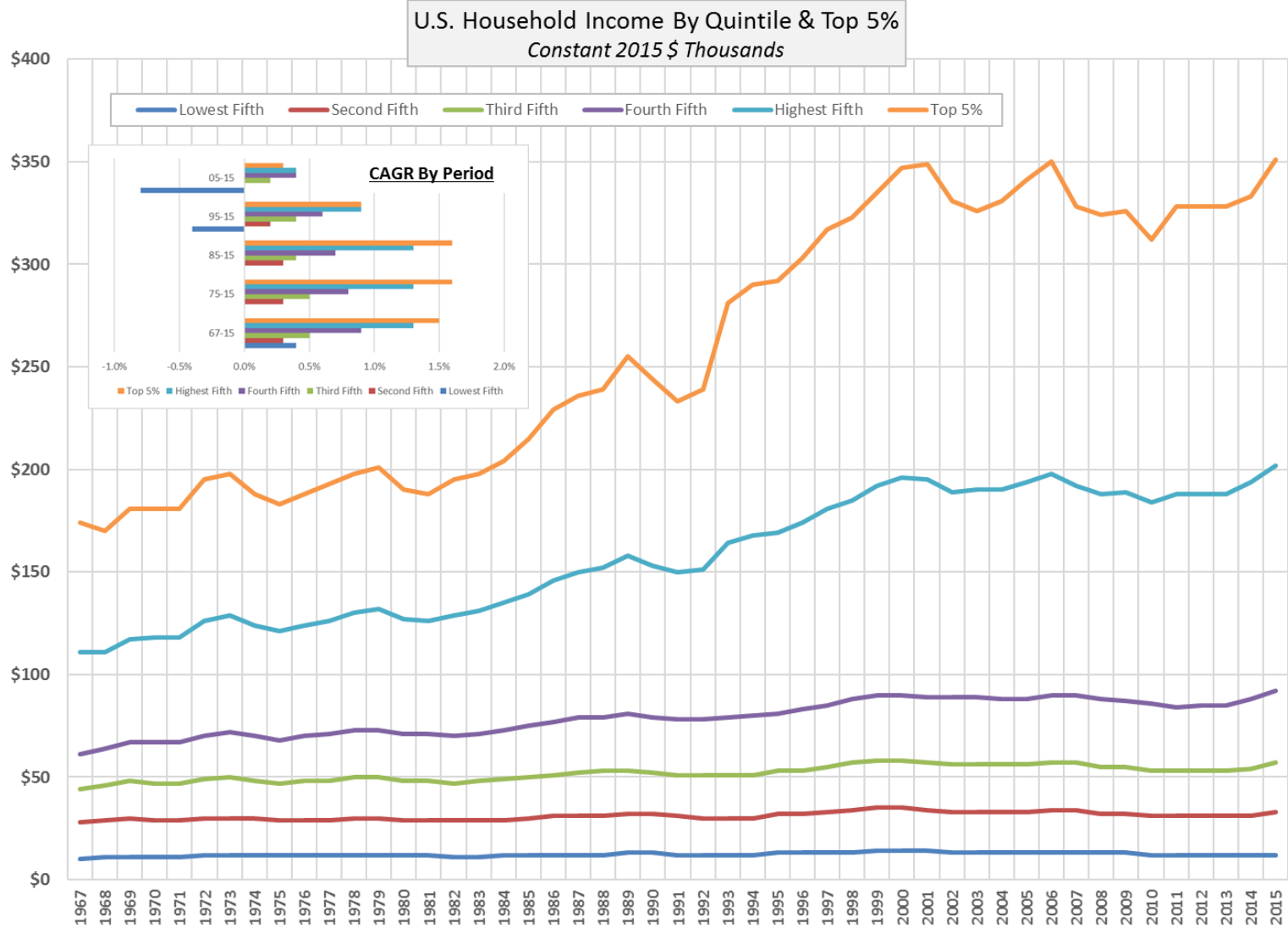
Taxes Per Worker (Constant FY09\$ Basis) Have Increased From ~\$12k In 1980 To ~\$20k In 2016

CHART 9



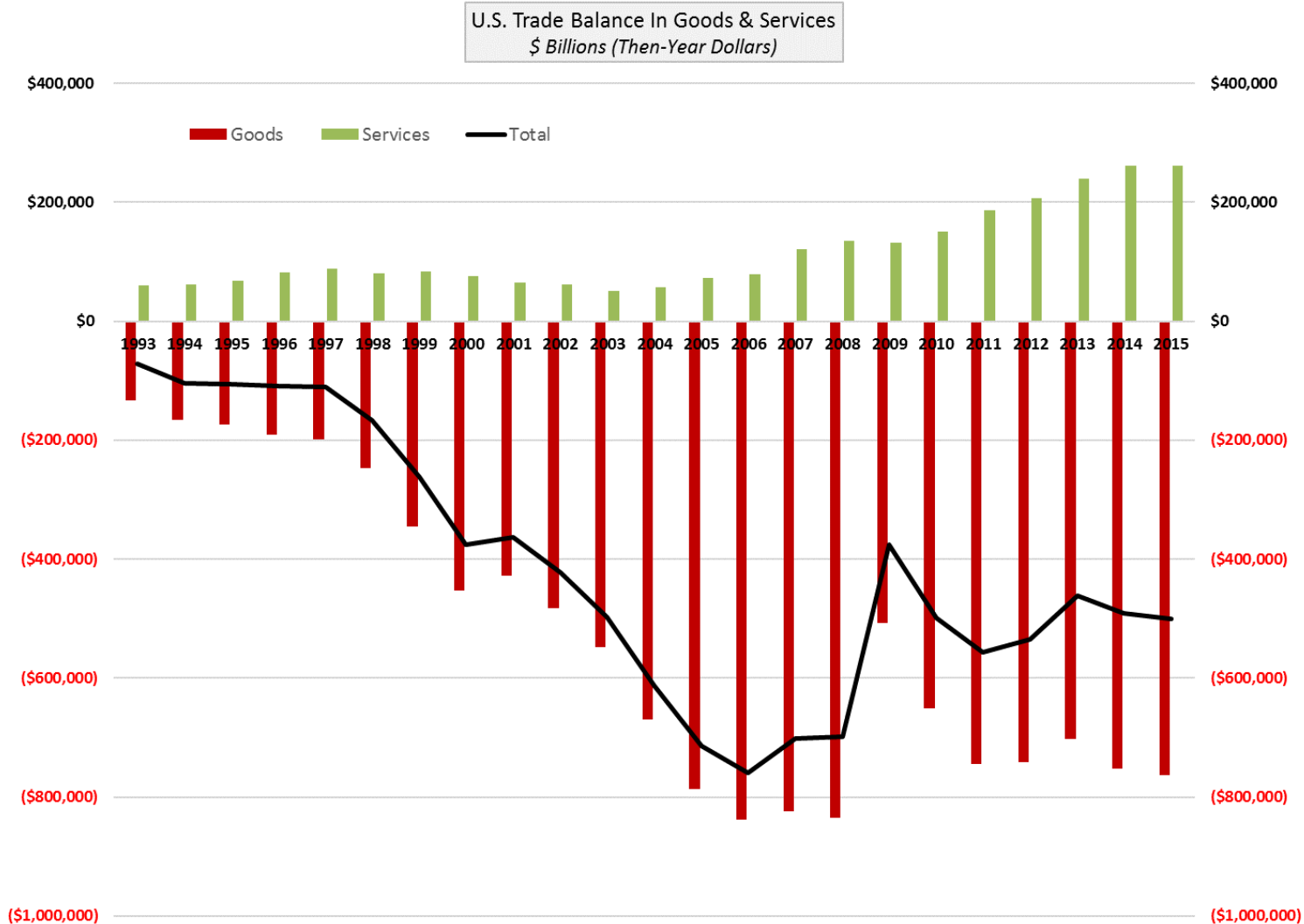
Top Quintile And Top 5% Saw Significant Income Gains 1980-2000; Static Income Across All Groups Since Then

CHART 10



U.S. Trade Deficit Has Stabilized At ~\$500B; Growing Services Trade Balancing Excess Imports Of Goods

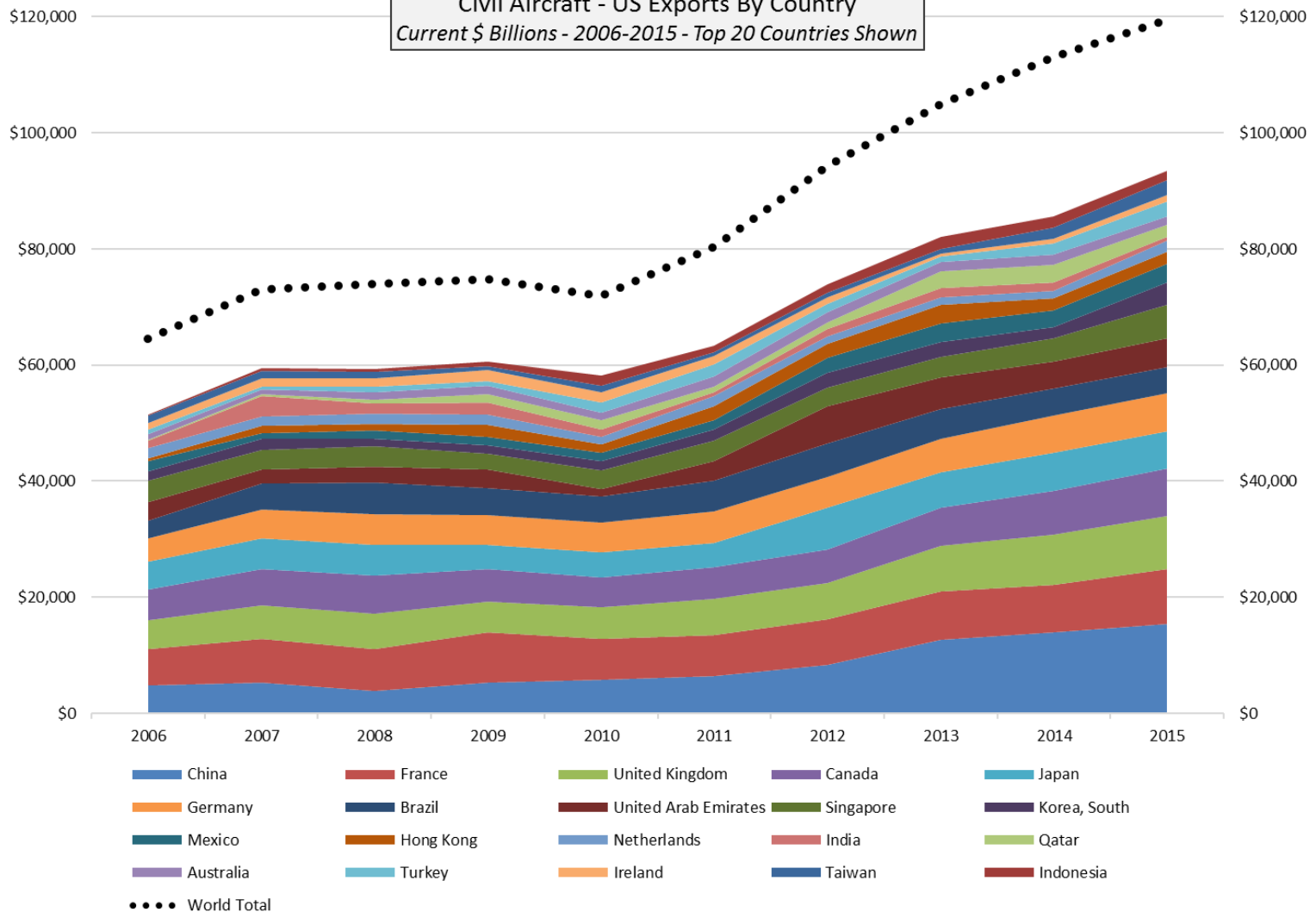
CHART II



US Exports Of Civil (Commercial) Aircraft Have Nearly Doubled Over The Past Ten Years

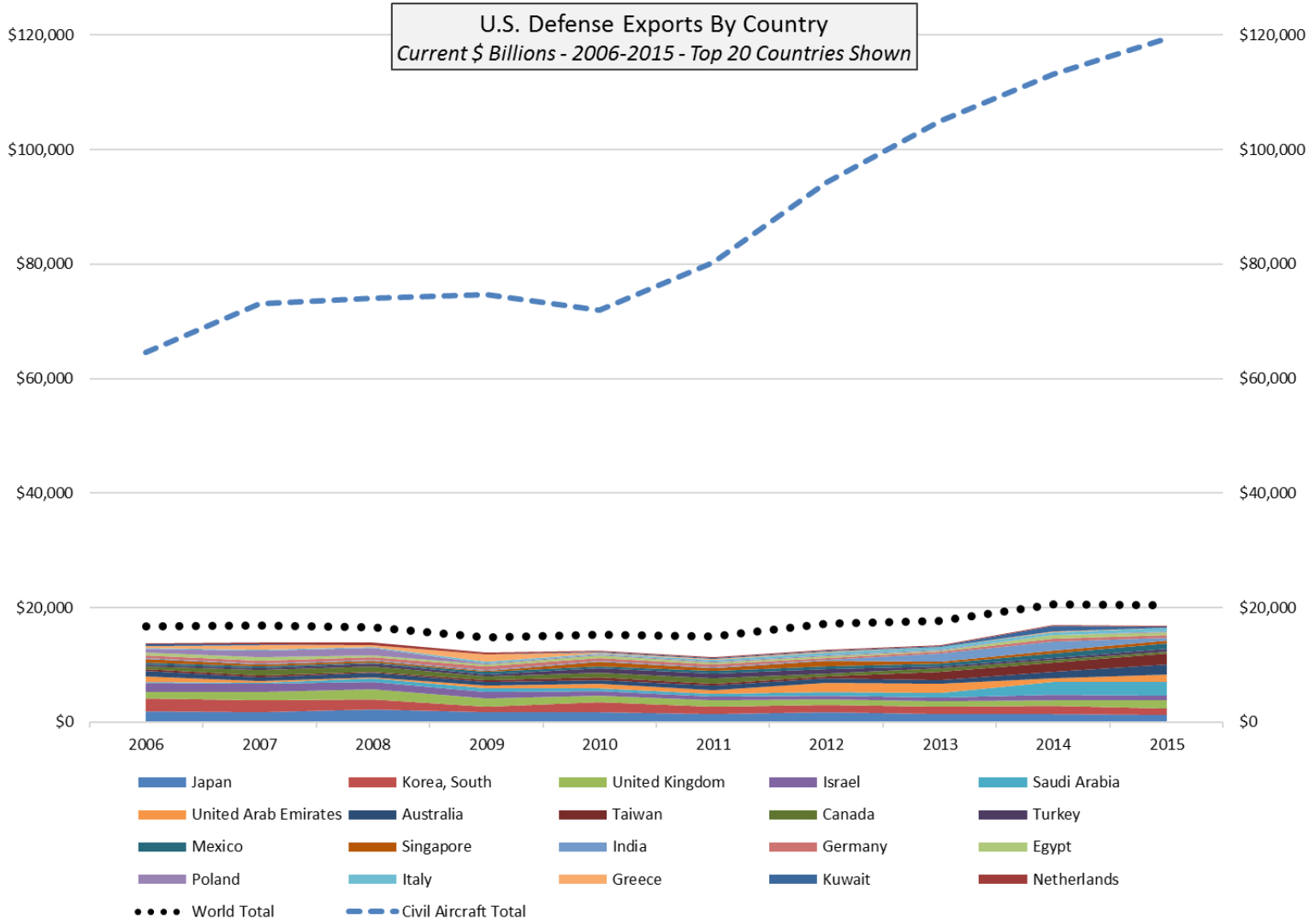
CHART 12

Civil Aircraft - US Exports By Country
Current \$ Billions - 2006-2015 - Top 20 Countries Shown



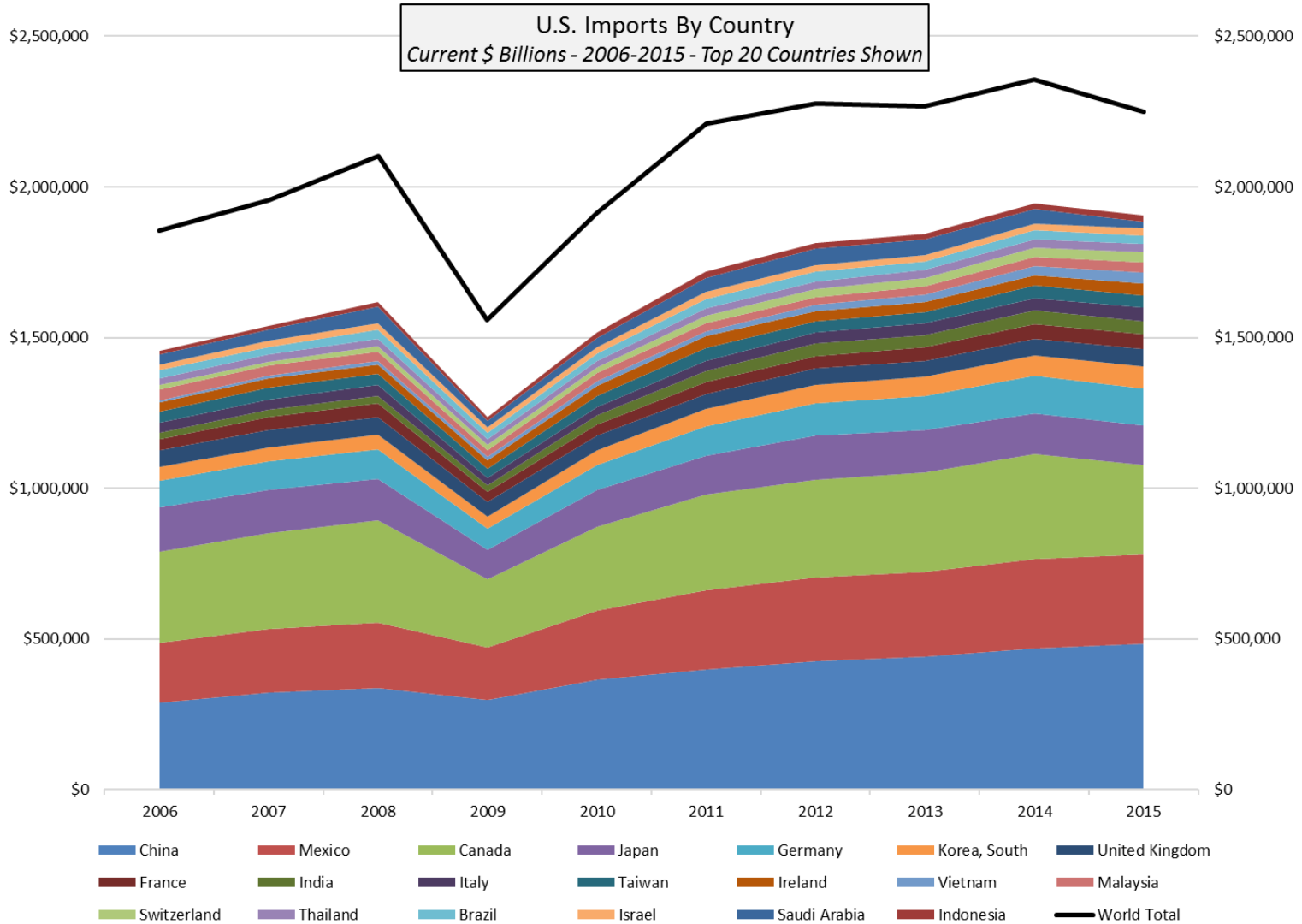
U.S. Defense Exports Have Increased Since 2011, But Represent A Fraction Of Commercial Aero Exports

CHART 13



U.S. Imports From China Have Grown ~9% Per Year Since 2006; Mexico & Canada Have Grown As Well

CHART 14



Canada And Mexico Remain Largest Importers Of U.S. Products; Exports To China Grew ~6% Annually Since '06

CHART 15

U.S. Exports By Country
Current \$ Billions - 2006-2015 - Top 20 Countries Shown

