

WHY THE NATIONAL DEBT AFFECTS THE FUTURE OF SOCIAL SECURITY

What it is • What the New York Debt Clock shows • Major approaches to fixing the fiscal imbalance

THE DEBT TODAY

~\$40.1T GROSS FEDERAL DEBT Outstanding Treasury obligations	~\$32.3T DEBT HELD BY THE PUBLIC Debt owned outside the federal government	~\$7.8T INTRAGOVERNMENTAL DEBT Treasury debt held by federal accounts/trust funds	\$2.56T SOCIAL SECURITY TRUST FUND ASSETS OASI/DI Treasury securities at end of 2025
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DEBT CLOCK NUMBER vs. SOCIAL SECURITY — DIFFERENT MEASURES

~\$40.1T WHAT WE OWE TODAY Gross debt already borrowed	≠ DO NOT ADD	\$29.3T SOCIAL SECURITY 75-YEAR SHORTFALL Present value of projected future benefits over dedicated income	WHY IT MATTERS The trust funds' Treasury securities are already included in intragovernmental debt. The \$29.3T figure is an actuarial projection under current law, not additional debt already outstanding.
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THE NATIONAL DEBT CLOCK — NEW YORK CITY

1989 Seymour B. Durst installs the original clock near Times Square; debt is about \$3T.	2000 Clock is turned off during federal budget surpluses.	2002 Clock is turned back on as deficits return.	2008 Federal debt crosses \$10T; another digit is needed.	2018 Clock moves to Anita's Way near One Bryant Park.
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WHY DEBT KEEPS GROWING

AGING POPULATION More beneficiaries relative to workers supporting Social Security and Medicare.	HEALTH-CARE COSTS Medicare and other federal health programs create long-term spending pressure.	INTEREST ON THE DEBT More borrowing raises interest expense, which can generate larger future deficits.
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THE “FIX” — SIX MAJOR POLICY APPROACHES

6. REDUCE SPENDING • Limit discretionary spending • Reform programs / health spending • Slow benefit growth	2. INCREASE REVENUE • Raise or broaden taxes • Reduce exclusions/deductions • Increase payroll/other taxes	3. REFORM SOCIAL SECURITY • Raise taxable wage base/rate • Adjust retirement age • Modify benefits/COLAs	4. REFORM MEDICARE / HEALTH • Payment/delivery reform • Efficiency and competition • Reduce cost growth	5. PROMOTE GROWTH • Increase productivity • Expand labor force • Encourage investment	6. BIPARTISAN PACKAGE • Combine spending + revenue • Protect vulnerable groups • Phase changes in early • Annual accountability
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SOCIAL SECURITY: THE SCALE OF THE ADJUSTMENT

2034 Combined OASI+DI reserves projected depleted.	~83% Share of scheduled benefits initially payable from continuing dedicated income after depletion.	~16.65% Illustrative combined payroll-tax rate needed for immediate 75-year solvency vs. 12.4% today.	~25.2% Illustrative across-the-board scheduled-benefit reduction for immediate 75-year solvency.
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ACTING EARLIER generally allows smaller, phased-in changes. Delaying reform tends to require larger tax increases, spending cuts, or benefit changes over fewer years.

Sources: U.S. Treasury Fiscal Data • CBO • GAO • 2026 Social Security Trustees Report • Durst Organization. Figures are approximate and should be refreshed before publication.