

Mississippi

Economic Impact of the Senate Republican Budget

March 23, 2015

The Republican Budget boosts economic growth. An analysis of the Senate Republican Budget performed by the non-partisan Congressional Budget Office shows that the Republican Budget allows the economy to produce \$500 billion more in economic output over the next ten years.

CBO estimated that per person economic output would be 1.5 percent higher by 2025 than without the Republican Budget. This increase in economic growth occurs solely because of spending changes made in the budget, which reduce the growth of federal debt, and that makes more bank lending available to private businesses and investors.¹

This lower debt pushes down interest rates for all borrowers. If the Senate adds tax and regulatory reform to these spending reductions, the economic benefits will be even bigger.

The economic growth dividend means that more jobs will be created nationwide. Senate Budget Committee staff estimate more jobs will be added to the economy for each year beginning in 2019. Nationwide, 1,360,000 more jobs will exist in 2025. Committee staff also prepared state level job gain estimates.²

¹ Congressional Budget Office, "Budgetary and Economic Outcomes Under Paths for Federal Revenues and Noninterest Spending Specified by Chairman Enzi, March 2015," at http://www.cbo.gov/sites/default/files/cbofiles/attachments/49976-Enzi_Budget_Resolution.pdf.

² Methodology available upon request.

For the state of Mississippi, the Republican Budget means an increase of 10,911 jobs by 2025. In its top three industries, Mississippi will gain a total of 4,843 jobs.

MISSISSIPPI JOB GAINS, 2025

JOB GAINS	10,911
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JOB GAINS IN TOP THREE INDUSTRIES

TRADE, TRANSPORTATION, AND UTILITIES	2,176
MANUFACTURING	1,347
EDUCATION AND HEALTH SERVICES	1,320

