OUR ROLE: THE WHARTON SCHOOL OF THE UNIVERSITY OF PENNSYLVANIA

Harnessing modern advances in economic modeling, big data, cloud computing and visualization methods for informed policy decisions.

THE PENN WHARTON BUDGET MODEL
The federal budget is one of our most important documents—it serves as a roadmap for our nation’s priorities and details how we should pay for them.

THE FEDERAL BUDGET PROCESS

PROPOSAL  EVALUATION  AUTHORIZATION
THE CURRENT FEDERAL BUDGET PROCESS IS JEOPARDIZING OUR ABILITY TO PROSPER

WE NEED TO MOVE FROM...

- Ideologically-driven political debate
- Analysis of written legislation
- A process open only to a select few

TO...

- Fact-based political debate
- Analysis of legislation during drafting stage
- A transparent, open budget process accessible to all
WE NEED AN HONEST BROKER

The Penn Wharton Budget Model is a nonpartisan and research-based model that provides accurate, accessible and transparent economic analysis of public policy’s fiscal impact.

STATISTICAL ANALYSIS + FISCAL SANDBOXING
THE PENN WHARTON BUDGET MODEL PROVIDES A "SANDBOX" THAT IS…

ACCESSIBLE | ACCURATE | ACTIVE
THE PENN WHARTON BUDGET MODEL'S LONG-TERM OBJECTIVE

Forecast the economic impact of policy proposals across a number of areas
BEHIND THE SCENES

The who, what and how of the Penn Wharton Budget Model

Policy Selection Criteria

Team Members

Funders

University of Pennsylvania

The Wharton School of Business
HOW THE MODEL WORKS

Using comprehensive, continually updating data sets, fair assumptions and historical validation for accurate modeling.

Assumptions and Rationales  
Data Sets and Updating Process  
Historically Validated Model
The Social Security Trust Fund consists of excess revenues from Social Security taxes, which are invested in non-marketable Treasury bonds. Interest income from these bonds that is not used to pay benefits is also deposited in the Trust Fund.

The Trust Fund is expected to continue growing during the next few years as interest income exceeds Social Security's non-interest revenue shortfall, although its value will decline in real terms (adjusted for inflation). As the difference between program costs and income from Social Security taxes grows larger, interest income will eventually be insufficient to cover the non-interest revenue shortfall. Trust Fund securities would then have to be redeemed to pay lawful benefits, implying an additional drain on the federal budget's general fund.
THANK YOU