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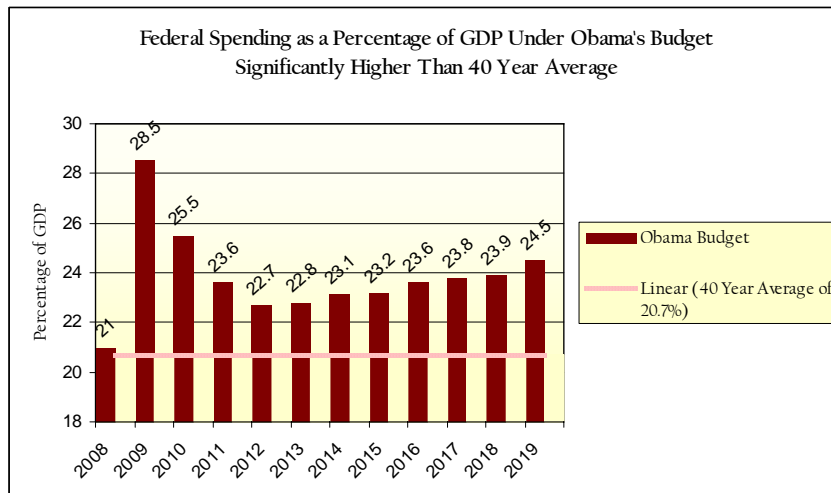
Obama Budget Moving Away From “Borrow and Spend”? – Not Quite!

During his introductory remarks at Tuesday night’s press conference, President Obama claimed that his budget would lay the foundation for a secure and lasting prosperity and moves us from “borrow and spend” to “save and invest”:

“At the end of the day, the best way to bring our deficit down in the long run is not with a budget that continues the very same policies that have led us to narrow prosperity and massive debt. It’s with a budget that leads to broad economic growth by moving from an era of borrow-and-spend to one where we save and invest.”

However, the CBO report released on Friday March 20 tells a different story:

- According to the CBO report, President Obama’s budget would increase total spending over \$2.7 trillion over ten years over the current baseline (that is including interest). This would amount to \$9,000 for every man, woman and child in the U.S.
- According to CBO data, spending under the President’s budget would increase from 23.6 percent of GDP in 2011 to 24.5 percent in 2019 – significantly above the past 40 year average of 20.7 percent.



Source: [CBO: A Preliminary Analysis of the President's Budget and an Update of CBO's Budget and Economic Outlook](#)

Says Grover Norquist, president of Americans for Tax Reform: “President Obama may be good with words, but describing his budget as ‘moving from an era of borrow-and-spend to one where we save and invest’ is ludicrous. This budget takes the term ‘tax-spend-and-borrow’ budget to new levels – and the American people will not be fooled.”