

Too Many Broken Promises For Too Long

How To Play Offense on the President's Budget Message

A Third Way Message Memo by Anne Kim, Director of Middle Class Project

The Problem: The standard progressive response to the President's budget—"more spending, misplaced priorities, and tax cuts for the rich"—is old and not persuasive.

The Strategy: Make the budget a character issue that shows the lack of honest leadership in Washington; show how it highlights a five-year trail of broken promises, red ink, wasteful spending and "pay-to-play" rifle shots to pet interests.

The Message: *We can simply add X to his list of broken budget promises. Last year it was his hydrogen car, before that it was the mission to Mars, cheaper health care, affordable college costs, and a balanced budget. It's too many broken promises for too long, and it's time for honest leadership.*

On February 6, 2006, President Bush will submit his fiscal 2007 budget proposal to Congress. From the President's viewpoint, this document's intent is to frame the year's priorities and set the terms of debate.

The standard progressive response has been to answer in kind, with a competing agenda and policies. And over the past several years, the result has been a familiar script—complaints about spending cuts and misplaced priorities, and decrying tax cuts for the wealthy. In addition to being unpersuasive, these attacks reinforce perceptions that progressives want more spending and bigger government.

We suggest a new tactic, similar to the one we suggested for the State of the Union. Rather than attacking specific policies or priorities, we would shift the debate to character and honest leadership: has the President actually delivered on the promises made to the American people in past budgets?

The answer is "no." Remember the Mission to Mars, the hydrogen car, and reducing the debt by \$2 trillion? How about affordable college tuition, lower health care prices, cutting government waste and creating a more effective and efficient government? As a record of promises made and broken, the budget is a damning record—in their own words—of Republican failure and the lack of honest leadership.

The fiscal 2007 budget will make a new set of promises that Republicans have no intention of keeping. We urge you to make this case strongly and have provided you with seven broken promises from previous Bush budgets. Honest leadership should mean keeping your word, and there have been too many broken promises for too long.

* * *

“Good intentions and good beginnings are not the measure of success. What matters in the end is completion: performance and results. Not just making promises, but making good on promises.”

— *President Bush’s 2003 Budget*

Seven Broken Promises From President Bush's Past Budgets

President Bush's budgets have been full of promises to the American people: promises to pay down the debt, bring honesty and restraint to federal spending and make lives better for ordinary Americans.

Instead of the honest leadership that was promised, the President has left a five-year trail of broken promises.

Broken Promise #1: To Pay Down the National Debt

"This budget ... retires the maximum amount of debt possible by providing the fastest, largest debt reduction in history, \$2 trillion over 10 years. Debt held by the public will be reduced to its lowest share of the economy since World War I."

— President Bush's 2002 Budget

- America's national debt today is \$2.5 *trillion* higher than when President Bush first took office.
- Currently, we owe more than \$8 trillion, or more than the gross domestic product of every other country in the world, including China, Germany and Japan.
- Nearly half our nation's debt is owed to foreigners—China, Japan, even the nations of OPEC. Bush has borrowed more money from foreign governments and banks than all other presidents in our nation's history *combined*.

Broken Promise #2: To Manage Federal Spending Responsibly

"I will ... insist on spending discipline in Washington D.C., so we can meet our priorities."

— President Bush's 2004 Budget

- Bush has outspent every president in the last 30 years. Since he's been in office, government spending has increased 33%. Here's how the conservative CATO Institute put it: "On spending, Bush is no Reagan."
- Bush has not once submitted a balanced budget. Three of his last five budgets have set records for the biggest deficits in our nation's history. The Congressional Budget Office recently projected yet another record deficit for 2006 of \$360 billion, including costs for the war in Iraq and Hurricane Katrina.

- Bush has never disciplined Congress by vetoing a bill. The last President with that record was James Garfield, who served just six months in office in 1881.

Broken Promise #3: To Rein In Government Waste

"A budget is not just about numbers. Far more it is about priorities — and integrity.... The President proposes to... eliminate unjustified, special-interest spending... and restore accountability and responsibility to Federal budget making."

— President Bush's 2002 Budget

"...the Government must exercise fiscal responsibility by ... cutting wasteful spending."

— President Bush's 2005 Budget

- The federal government spent \$236 million to lease Carnival cruise ships for Hurricane Katrina evacuees. The government also spent \$100 million on 91,000 tons of ice cubes, most of it now sitting in government-rented storage lockers in Nebraska, Mississippi and Iowa.
- The conservative Heritage Foundation found federal workers using government credit cards to gamble (\$48,250), go on cruises (\$69,300), visit exotic dance clubs (\$73,950) and buy admission to entertainment events (\$102,400).
- Federal auditors discovered \$100 million in unused plane tickets bought by the Department of Defense. Congressional investigators also once obtained \$55,000 in federal student loan funding for a fictional college they created to test the Department of Education.
- The federal government spends a whopping \$53 billion a year on porkbarrel projects like the "Bridge to Nowhere." One single bill—last year's highway bill—had as many as 6,373 pet projects—the most in history. In the past year, Congress set aside money for more than 14,000 pet projects, including these:
 - \$1,000,000 for the Waterfree Urinal Conservation Initiative
 - \$1,000,000 for the Virtual Reality Spray Paint Simulator System and Training program at Pine Technical College
 - \$1,040,000 for "Stainless Steel Sanitary Space" (i.e. toilets)
 - \$150,000 for the Therapeutic Horseback Riding Program at the Lady B Ranch in California

- Practically any bill is now a target for earmarks. The homeland security spending bill, for example, now includes hundred of set-asides for projects that have nothing to do with defending our nation from terrorists. For example:
 - \$30,000 for defibrillators to be used at a High School basketball tournament
 - \$2 million to buy an icebreaker for industrial ships on the Great Lakes
 - \$18,000 to equip a bomb squad with Segway scooters
- Pet interests are also winning their own special tax breaks. In just the past two years, Congress has passed special tax breaks for horse and dog track owners, tackle box manufacturers, Hollywood, trial lawyers, Oldsmobile dealers and one hotel in Sioux City, Iowa, that's getting \$94 million in special tax treatment. Loopholes are now large enough to pilot a cruise ship through (and there's a tax break for them too).

Broken Promise #4: To Provide Effective Government

"We are not here to mark time, but to make progress to achieve results, and to leave a record of excellence."

— President Bush's 2003 Budget

"A federal program's measure of success is not its size, but the value it delivers.... If federal programs cannot show results, they should be overhauled, or retired."

— President Bush's 2004 Budget

- 60% of seniors say they don't understand the new Medicare prescription drug benefit, which is projected to cost nearly \$1 trillion in the next 10 years. Tens of thousands of poor seniors have also temporarily lost their drug coverage, thanks to glitches in the rollout. More than two dozen states have had to step in to provide these seniors with medicine.
- The bipartisan 9-11 Commission recently gave President Bush and his administration 5 F's, 12 D's and two "incompletes" in its report card on homeland security. Bush got only one A-, and that was for his efforts on stopping terrorist financing.

Broken Promise #5: To Lower the Cost of Health Care

"...we will make health care more affordable and extend the full benefits of our health care system to more Americans who currently have no health insurance."

— President Bush's 2005 Budget

- Health care spending continues to outstrip every sector of the economy. One out of every six dollars spent in the US economy goes toward health care. By comparison, one out of every 14 dollars goes toward our national defense.
- Health insurance premiums have skyrocketed by 73% over the last five years. The average American worker now pays \$2,713 a year out of his or her paycheck for family coverage—about \$1,000 a year more than what workers paid just five years ago.

Broken Promise #6: To Make College More Affordable

"...the Administration's goal is to make college more accessible and affordable to millions of Americans, particularly those from disadvantaged and historically underrepresented populations."

— President Bush's 2002 Budget

"The Administration is committed to providing equal access to higher education...."

— President Bush's 2006 Budget

- Bush's allies in Congress have proposed nearly \$13 billion in cuts to federal student aid funding over the next five years—the most drastic cuts in history.
- Average college tuitions have risen by about 33% in the last five years. One year of tuition now costs on average \$21,235 at a private college and \$5,491 at a state school.
- On average, students are borrowing \$19,300 to go to college—up from \$12,100 a decade ago. More than a quarter of students are borrowing more than \$25,000 to go to school.

Broken Promise #7: To Provide Affordable, Reliable Energy

“Adequate supplies of energy ensure the safety and security of our families, our communities, and our Nation. People need to know that when they flip on a lightswitch the light will turn on. They need to know that the bill they get at the end of the month is not going to eat into their food budget or their rent payment.”

— President Bush’s 2002 Budget

- Gas prices have risen 63% in the past five years, from a national average of \$1.45 a gallon five years ago to \$2.35 today.
- On average, heating a home with natural gas will cost \$350 more this year than last year, a nearly 50% increase. Likewise, home heating oil and propane prices are expected to increase by a third.
- ExxonMobil made \$36 billion in profits last year— the largest annual reported profit for a single company in U.S. history. Nevertheless, last summer’s energy bill provided more than \$8 billion in tax breaks for the oil and gas industry.

* * *

The Bush Budget: Too Many Broken Promises for Too Long