

**Statement by Senator Kent Conrad (D-ND)
on the Nomination of Joshua Bolten to be
Director of the Office of Management and Budget
June 26, 2003**

I rise to support the confirmation of Joshua Bolten as Director of the Office of Management and Budget, and to urge Mr. Bolten to do everything within his power to help put the federal budget back on a sound footing.

The position of OMB Director is always one of the most demanding posts in our government, but it is especially so right now. The tax cuts pushed through by the President over the last two and one-half years, combined with the continuing economic slowdown and increased spending to respond to the September 11 terrorist attacks and prosecute the military efforts in Afghanistan and Iraq, have pushed the budget deep into deficit. And, despite the fact that we desperately need to get our fiscal house in order to be ready for the imminent retirement of the baby-boom population, this administration and its allies in Congress have not yet accepted that the policies they have advocated are leading us in the wrong direction.

I support the confirmation of Joshua Bolten as OMB Director because I believe he is a very capable and honorable man, with a distinguished record both in public service – including service as a Senate staffer – and in the private sector. I sincerely hope he will take to heart the duty of the OMB Director to be an advocate for fiscal responsibility – to be willing to present the President with the facts about where the budget is heading even if those facts are unpleasant, and to recommend policies to the President that will put the budget back on a sustainable path even if those policies may be politically difficult.

In a written response to a question posed by the Governmental Affairs Committee, Mr. Bolten reiterated the position of the Bush administration about the deficits facing us, stating that “Our current deficit – as measured as a percentage of gross domestic product (GDP) – is not large by historical standards and is manageable within the overall context of our economy.”

I hope when Mr. Bolten assumes his post as head of OMB, he recognizes the reality of the budget situation and leads the administration to reassess that position. That reality is that the deficit we are currently facing is enormous by any standard. According to CBO, the total deficit will exceed \$400 billion this year, more than \$100 billion higher than the all-time record deficit of \$290 billion recorded in 1992. As a percentage of GDP, the deficit will be about 4 percent, a level that has been reached only eight times in the 57 years since the end of World War II. More troubling, when Social Security is excluded from the calculation, this year’s deficit is likely to total about 5.5 percent – a level reached only twice in the last 57 years.

I hope Mr. Bolten accepts how serious the budget situation is and how important it is that we do not delay beginning to deal with the situation. I hope that he will advise the President to work with the Congress in a truly bipartisan way to reach agreement on and enact policies that will put the budget back on track.