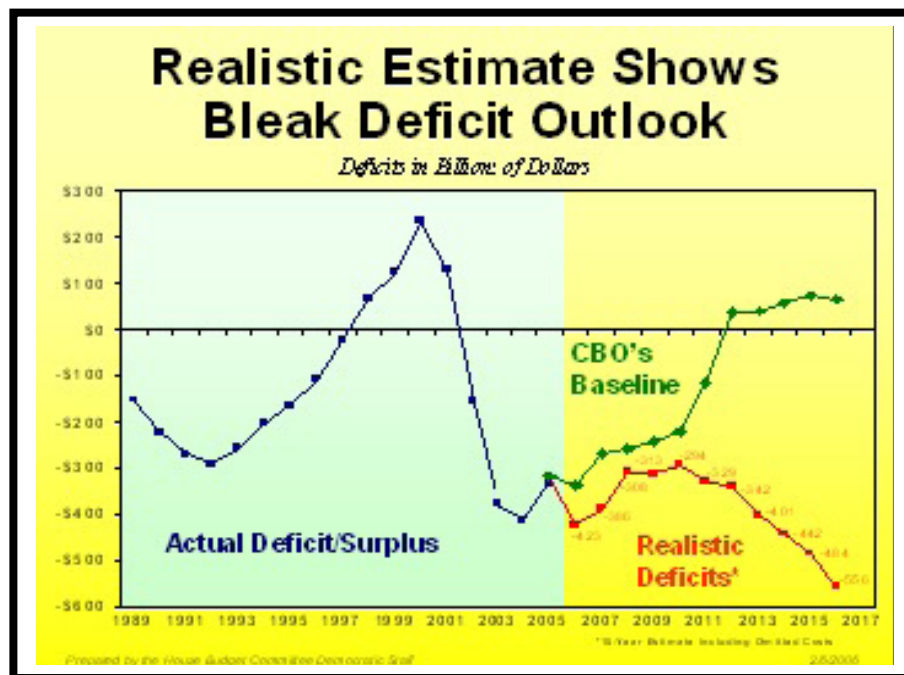


BUSH'S BUDGET: IRRESPONSIBLE, UNREALISTIC AND IRRELEVANT

The FY07 Budget proposal President Bush submitted to Congress will increase the record deficit and spiraling debt and leave out several substantial costs. Like other years, the Administration's promises of fiscal responsibility ring hollow.

IRRESPONSIBLE

The Bush Administration's FY07 Budget leads America down the same irresponsible path of fiscal mismanagement and structural long-term deficits and debt that has been pursued over the past five years – promising fiscal discipline, but increasing tax cuts and “starving” domestic programs that serve those most in need.



Robert L. Bixby of the Concord Coalition: “The policy proposals fail to make the necessary trade-offs to put us back on a more fiscally responsible path.” [CQ, 2/7/06]

UNREALISTIC

By leaving out several major inevitable and necessary costs that the United States will incur over the next several years, the Bush Budget presents a total cost that does not comport with reality.

The Bush FY07 Budget Omits Several Major Costs:

- **Realistic War Costs Beyond 2007**
- **Cost to Repair AMT Beyond 2006**
- **Reconstruction costs for New Orleans after 2006**
- **Cost of Making Tax Cuts Permanent from 2012-2016**
- **Social Security Privatization**
- **Growing Interest on Additional Debt**

New York Times, 2/7/06; House Budget Committee Democrats

Ed McKelvey, senior economist at Goldman Sachs: “There are a number of things that you can point to and say ‘This isn’t very reflective of reality.’” [Washington Post, 2/7/06]

IRRELEVANT

While the Bush Administration tries to maintain that the FY07 budget keeps it on track to cut the deficit, this promise is as empty as ever. The fact is, while each year the Administration has claimed it would cut the deficit, the deficit has actually increased to record levels.

Republicans Have Created Record Deficits Over the Last Five Years

***FY07: -\$354 Billion**
***FY06: -\$423 Billion**
FY05: -\$318 Billion
FY04: -\$412 Billion
FY03: -\$378 Billion

*OMB Projections

Stanley E. Collender, federal budget analyst at Financial Dynamics Business Communications: “This budget is not going to happen. Of all the budgets I’ve seen recently, this is the one going nowhere the fastest.” [Washington Post, 2/7/06]