

BUSH LEGACY:

\$1 TRILLION DEFICIT AND BROKEN ECONOMY

*Democrats Moving Ahead on Bipartisan Recovery Package,
Long-Term Plan for Fiscal Responsibility*

When President Bush leaves office this month, he will leave behind a legacy of debt, transforming the biggest surpluses in history into the biggest deficits, and affecting our ability to confront the current economic crisis that his Administration helped create. Over the past eight years, the Bush Administration has presided over the 5 largest deficits in history and implemented economic policies that have left millions more Americans unemployed. It will take years for new leadership to dig America out of this fiscal and economic hole.

BUSH LEGACY = MASSIVE DEFICITS

President Bush presided over the 5 largest deficits in American history:

- #1: \$1.2 trillion deficit in FY09 (Projected)
- #2: \$438 billion deficit in FY08
- #3: \$413 billion deficit in FY04
- #4: \$378 billion deficit in FY03
- #5: \$318 billion deficit in FY05

BUSH LEGACY = BROKEN ECONOMY

	WHEN BUSH TOOK OFFICE	TODAY – IN THE RED
UNEMPLOYMENT	5.7 million unemployed	10.3 million unemployed
JOBS CREATED	22.7 million over Clinton’s 8 years	5 million over 8 years
BUDGET DEFICIT (2001-2011 Projected)	+\$5.6 trillion	-\$4.5 trillion
BUDGET DEFICIT (2009-2019 Projected)	n/a	-\$8.4 trillion*
NATIONAL DEBT	\$5.8 Trillion	\$10.6 Trillion

* Under current policies (extending all expiring tax provisions, AMT patch, continue current path in Iraq)

DEMOCRATS = “READY FOR THE CHALLENGE” **

“Our country and our economy need an economic recovery package that will create jobs immediately and will grow the economy.”

– House Speaker Nancy Pelosi, 1/05/09

“I’m going to be willing to make some very difficult choices on how we get a handle on this deficit.”

– President-Elect Barack Obama, 1/06/09

“Democrats are committed to long-term fiscal responsibility to return our budget to balance and undo the damage caused by President Bush’s record deficits and debts.”

– House Majority Leader Steny Hoyer, 1/06/09

President-Elect Obama is working with the Congress on an economic recovery package to jump-start the economy and repair the fiscal damage caused by the Bush Administration. The legislation will include middle-class tax relief, job-creating projects, aid to hard-hit states to protect vital services, and assistance for families in need. Committed to long-term fiscal responsibility, Democrats vow to work through this national crisis and return to a balanced budget – but it will take years to dig out from the massive Bush deficits.

** President-Elect Barack Obama, 1/06/09

OVER →

Democrats continue to govern in a fiscally responsible manner. Actions already taken include:

- Fiscally responsible budgets: Democrats have twice passed budget resolutions demonstrating their commitment to long-term fiscal health
- Enacting a fiscally responsible Rules Package, including earmark reform to increase accountability and transparency
- Implementing a pay-as-you-go (PAYGO) rule to restore fiscal discipline upon attaining the Majority and improving it at the start of the 111th Congress
- President-Elect Obama met with his team of economic advisors to discuss a responsible plan for long-term recovery: “We know that even if we did nothing that we have close to a trillion-dollar deficit, even if we were on the current path that we're on. And we know that we have to then implement a set of fiscal measures that deal with the medium and long term so that we have a sustainable path of economic growth.” The President-Elect charged his economic team with determining, “how do we get a fix on this budget so that, as the economy recovers, we start stabilizing the economy and [get] our budget under control?” (1/06/09)