

ARE YOU BETTER OFF THAN YOU WERE SEVEN YEARS AGO?

Republicans Have Weakened Our Nation's Economy and Security

*“In the long run, our
economy is going to be
fine.”*

- President George W. Bush (3/17/2008)



*“The problem is not at
all insurmountable in
the long run.”*

- President Herbert Hoover (10/6/1930)

“Meanwhile, throughout the economy's recent turbulent times — lost jobs, sky-high gasoline prices, plunging home values, a free-falling dollar, shaken consumer confidence, a growth slowdown and possibly even a recession — Bush has projected an air of unwavering optimism, even joviality.” -AP, 3/18/08

1. AMERICAN FAMILIES HAVE FALLEN BEHIND UNDER REPUBLICAN ECONOMIC POLICIES



EMPLOYMENT IS DOWN:

Since Bush took office, 1.4 million more people are unemployed.
[Joint Economic Committee]



MANUFACTURING JOBS HAVE DECREASED:

3.4 million manufacturing jobs have been lost under Bush.
[Joint Economic Committee]



INCOME IS DOWN:

Median household income is down almost \$1,000 since Bush took office.
[Joint Economic Committee]



NUMBER WITHOUT HEALTH INSURANCE HAS INCREASED:

Since 2000, the number of Americans without health insurance has increased by 8.6 million.
[Joint Economic Committee]



GAS PRICES HAVE MORE THAN DOUBLED:

The price of gas is now \$3.29; up from \$1.46 when Bush took office (up 125%).
[Energy Information Administration]



COLLEGE COSTS HAVE INCREASED:

Adjusting for inflation, tuition for four-year public colleges has increased 36.3% between the 1999-2000 and 2005-2006 school years.
[Joint Economic Committee]



FORECLOSURE RATES HAVE HIT A RECORD HIGH:

The rate of foreclosures in 2007 doubled the 2006 rate; the total number of foreclosures rose 75% to 2,203,295.
[Reuters, 1/29/08]



FOOD STAMPS WILL HIT A RECORD HIGH:

28 million Americans will receive food stamps this year, the highest number since the aid program began.
[New York Times, 3/31/08]

	WHEN BUSH TOOK OFFICE	TODAY – IN THE RED
UNEMPLOYMENT	6 million unemployed	7.4 million unemployed
HOUSEHOLD INCOME	\$49,163	\$48,023
HEALTH INSURANCE	38 million uninsured	47 million uninsured
POVERTY	31.6 million	36.5 million
JOBS CREATED	22.7 million over Clinton's 8 years	6 million over 7 years
REAL GDP GROWTH	3.6% over Clinton's 8 years	2.6% over 7 years
NATIONAL DEBT	\$5.7 Trillion	\$10.3 Trillion (projected)

2. PRESIDENT BUSH IS OUT OF TOUCH WITH ECONOMIC REALITY

“Meanwhile, throughout the economy's recent turbulent times — lost jobs, sky-high gasoline prices, plunging home values, a free-falling dollar, shaken consumer confidence, a growth slowdown and possibly even a recession — Bush has projected an air of unwavering optimism, even joviality.”

-AP, 3/18/08

Date	Economic news	Bush's words
Oct. 17, 2007	Commerce Department reports that housing starts in September fell to the lowest level since 1993.	"When you got more houses than you got buyers, the price tends to go down. And we're just going to have to work through the issue. I'm not a forecaster, but I can tell people that I feel good about many of the economic indicators here in the United States."
Nov. 13, 2007	Energy Department predicts gas prices, already averaging \$3.10 a gallon for regular, could rise 20 cents within months.	"Sure, there's some challenges facing us, but the underpinnings of our economy are strong, and we're a resilient economy."
Dec. 17, 2007	Former Federal Reserve chairman Alan Greenspan suggests a tax break or other government help for homeowners facing the mortgage crunch.	"This economy is pretty good. There are some there's definitely some storm clouds and concerns, but the underpinning is good."
Jan. 18	The Dow Jones industrial average plunges 307 points, totaling 1,100 points down for the new year. Bush proposes a fiscal stimulus plan.	"Swift and temporary actions can help ensure that inevitable market adjustments do not undermine the health of the broader economy."
Feb. 28	Reports show that new-home sales in January fell to the slowest rate in 13 years, and orders for big-ticket items such as cars and refrigerators slumped.	"I don't think we're headed to a recession, but no question we're in a slowdown."
March 17	The Federal Reserve backs up the fire sale of Bear Stearns to JPMorgan Chase and provides a new line of credit to securities dealers.	"The United States is on top of the situation. In the long run, our economy is going to be fine. Right now, we're dealing with a difficult situation."

Source: USA Today, 3/24/08

3. RECORD-SETTING REPUBLICAN DEFICITS



President Bush: "We can proceed with tax relief without fear of budget deficits, even if the economy softens. Projections for the surplus in my budget are cautious and conservative."
[Remarks, 3/27/2001]



President Bush: "[O]ur budget will run a deficit that will be small and short-term." [BBC, 1/7/03]



OMB Director Jim Nussle: "We are holding down spending and reforming government, and the good news is the deficit is coming down." [6/22/06]



Long-time Senate GOP budget aide G. William Hoagland: "That was the problem for Republicans. They could never see the advantage [of budget controls] because they never saw that deficits mattered.... In the short term, it's not very politically popular, and it is risky... But in the long term, it's good for our children and good for the country."
[Washington Post, 8/2/07]

THE FACTS

- President Bush and Congressional Republicans have turned a projected 10-year **budget surplus of \$5.6 trillion** into a projected 10-year **deficit of \$3.4 trillion**.
- When Bush took office there was a **projected \$710 billion surplus for FY09** [Congressional Budget Office]. Bush's budget would create a **\$407 billion deficit for FY09 – a swing of \$1.117 trillion**.
- Under the Bush Administration, Republicans have created the **five largest budget deficits** in American history. [-\$378 billion, -\$412 billion, -\$318 billion, -\$396 billion*, -\$342 billion*]
- House Democrats have passed a budget plan that will bring our budget back to balance by 2012.

CLINTON: RECORD SURPLUSES

FY94	-203.2 B
FY95	-164.0 B
FY96	-107.5 B
FY97	-21.9 B
FY98	69.2 B
FY99	125.5 B
FY00	236.2 B
FY01	128.2 B

Source: Congressional Budget Office

VS.

BUSH: RECORD DEFICITS

FY02	-157.8 B
FY03	-377.6 B
FY04	-412.7 B
FY05	-318.3 B
FY06	-248.2 B
FY07	-162 B
FY08*	-396 B
FY09*	-342 B

Source: Congressional Budget Office
* projected

4. EXPLODING REPUBLICAN DEBT THREATENS OUR SECURITY AND OUR FUTURE



David Walker, Comptroller General of the United States: “Continuing on this unsustainable fiscal path will gradually erode, if not suddenly damage, our economy, our standard of living, and ultimately our national security.” [Testimony before the Senate Budget Committee, 2/15/06]



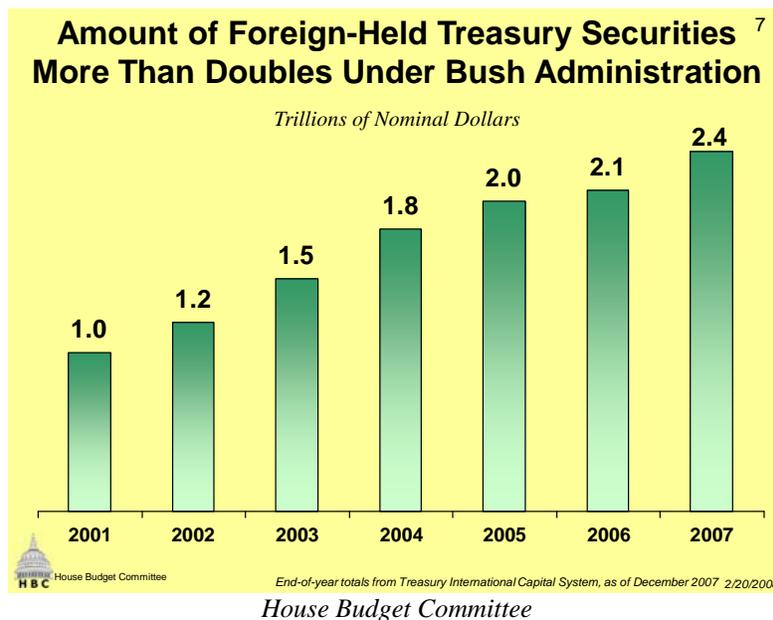
President Bush: “Future generations shouldn’t be forced to pay back money that we have borrowed. We owe this kind of responsibility to our children and grandchildren.” [Remarks, 3/3/01]



Federal Reserve Chairman Ben Bernanke: “If government debt and deficits were actually to grow at the pace envisioned by the CBO’s scenario, the effects on the U.S. economy would be severe. High rates of government borrowing would... slow the growth of real incomes and living standards over time.... Uncertainty about the ultimate resolution of the fiscal imbalances would reduce the confidence of consumers, businesses, and investors in the U.S. economy.” [2/28/07]

THE FACTS

- Due to their own fiscal recklessness, Republicans were forced to raise the debt limit four times for a total of over \$3 trillion.
- The first 42 American presidents borrowed a total of **\$1.01 trillion** combined from foreign governments and financial institutions. In only six years, President Bush has borrowed more than **\$2.2 trillion**.
- When Bush took office, the **national debt was \$5.7 trillion**. Under Bush’s budget it has nearly doubled, and will reach **\$10.3 trillion at the end of FY09**.
- The Clinton Administration actually paid down the publicly held debt by \$453 billion between 1997 and 2001.



5. INTEREST ON THE DEBT IS EXPLODING, AND IS THE FASTEST GROWING PART OF THE BUDGET



Former OMB Director Mitch Daniels: “A principal goal of the President and his budget is dramatic reduction of the national debt.” [AP, 2/28/01]



OMB Director Jim Nussle: “We have a solid financial foundation to build on to get us back to balance. In the meantime, we are still paying down the debt and working our way back to surpluses.” [Press Release, 10/30/01]



Former Republican Speaker Newt Gingrich (GA): “Our point is that there is a moral case, there is a practical case, there is a self-interest case for balancing the budget. . . . When you have deficits and you borrow more money, interest payments go up. . . . So balancing the budget ultimately leads to lower taxes through lower interest rates and less payment on the debt, and our hope would be eventually through a balanced budget to actually begin to pay down the national debt.” [Cong. Record, 3/17/1997]

THE FACTS

- Interest payments on the debt have skyrocketed: \$217 billion in FY09 (projected); \$234 billion in FY08 (projected); \$237.1 billion in FY07; \$226.6 billion in FY06; \$184 billion in FY05; \$160.2 billion in FY04; and \$153.1 billion in FY03.
- Interest payments on the national debt over the next decade -- \$3 trillion – are roughly equal to the federal commitment to Medicaid over the next decade.
- The projected interest in FY09 exceeds the discretionary appropriation in every appropriation bill except Defense.
- Annual interest payments on the national debt are now more than \$200B – which exceeds the COMBINED FY09 total of discretionary spending for the following agencies: Agriculture, Commerce, Justice, HHS, HUD, Interior, Labor, EPA and the Corps of Engineers.

