



# Obama's Political Budget

## *Obama Disregards Compromise And Debt And Opts For A Partisan Budget Blueprint As Democrats Prepare For A Tough 2014*

**Obama's Fiscal Year 2015 Budget Is To Be Released Tomorrow, March 4.** "The White House will release President Barack Obama's budget for fiscal year 2015 on March 4, a spokesman for the Office of Management and Budget said on Thursday." ("White House To Release Fiscal 2015 Budget On March 4," [Reuters](#), 1/23/14)

**Obama's Budget Is Going To Be Released 29 Days Past The Legal Deadline (31 U.S.C. 1105).** ([31 U.S.C. § 1105\(a\)](#), p. 105)

- **For The Second Year In A Row Obama Is Releasing His Budget Weeks After The Legal Deadline.** "Last year, Obama delivered his budget on April 8, more than two months late and after the House and Senate had passed their own blueprints. The administration blamed that delay on the early January resolution of the 'fiscal cliff' fight." (Erik Wasson, "Obama To Release Budget A Month Late," [The Hill](#), 1/23/14)
- **The Hill: "Obama Has Met The Official Budget Deadline Only Once During His Time In Office."** (Erik Wasson, "Obama To Release Budget A Month Late," [The Hill](#), 1/23/14)

## *And Senate Democrats Won't Release A Budget At All, Allowing Them To Focus On Politics Instead*

**Senate Democrats Will Not Write A Budget For The Next Fiscal Year, One Year After Passing Their First Budget Resolution In Four Years.** "Senate Democrats will not write a budget for the next fiscal year. One year after writing and passing the first Senate Democratic budget resolution in four years, Senate Budget Committee Chairwoman Patty Murray (D-Wash.) said her conference will not make an effort in the 2014 midterm election year." (Erik Wasson, "Senate Dems To Skip 2015 Budget," [The Hill](#), 2/28/14)

**Democrats Don't Want To "Reopen The Budget Process... During A Midterm Election Year."** "The debt ceiling issue has already been dealt with — it's suspended until March of 2015 — but Democrats see no reason to reopen the budget process back up for political votes and partisan bickering during a midterm election year and with general spending levels already agreed to." (Burgess Everett, "Patty Murraray Won't Seek Budget Resolution," [Politico](#), 2/28/14)

**By Not Writing A Budget, Senate Democrats Will Avoid "Tough Votes" As Midterm Elections Approach.** "Democrats are trying to hold on to their Senate majority in a difficult year, and the decision to abandon the budget means Democrats in difficult races will avoid some tough votes." (Erik Wasson, "Senate Dems To Skip 2015 Budget," [The Hill](#), 2/28/14)

- **Without A Budget Process, Senate Democrats Hope To Avoid Negative Campaign Advertising That May Arise From The Amendment Process.** “The decision by Murray not to go through the motions of passing a budget also will allow Senate Democrats to avoid an open amendment process that allows any senator to seek vote on any amendment to the budget - a process known as a ‘vote-a-rama’ that could last days. With November congressional elections looming, Democrats are concerned that this could devolve into a series of partisan votes that could be used in campaign advertising.” (David Lawder, “U.S. Senate Democrats Do Not Plan To Pass Budget This Year: Murray,” [Reuters](#), 2/28/14)

**Instead Of Writing Their Own Budget, Senate Democrats Will Focus On Obama’s Budget.** “The Senate Budget Committee will hold a hearing Wednesday to examine President Obama’s 2015 budget.” (Ramsey Cox, “Senate Panels Set To Review Obama’s Budget Next Week,” [The Hill](#), 2/28/14)

## **OBAMA’S NEW BUDGET DROPS A KEY COMPROMISE WHILE DISREGARDING THE LOOMING LONG-TERM DEBT**

**New York Magazine Headline: “Obama’s Budget Stops Pretending To Believe In Grand Bargain”** (Jonathan Chait, “Obama’s Budget Stops Pretending To Believe In Grand Bargain,” [New York Magazine](#), 2/21/14)

**Obama’s New Budget “Lays Out The White House’s Vision Largely Irrespective Of Political Constraints.”** “The new budget lays out the White House’s vision largely irrespective of political constraints. It builds on spending levels for 2015 set by a bipartisan budget deal reached by House Budget Committee Chairman Paul Ryan (R-Wis.) and Senate Budget Committee Chairwoman Patty Murray (D-Wash.) by proposing \$56 billion in new spending on domestic and non-defense initiatives.” (Zachary Goldfarb, “BREAKING: White House Budget To Boost Spending By \$56 Billion, Drop Boehner ‘Grand Bargain,’” [The Washington Post](#), 2/20/14)

### ***Obama’s Budget Is Dropping An Entitlement Reform Plan That He Once Embraced***

**Time Headline: “Obama Drops ‘Good Faith’ Offer From Budget.”** (Zeke J. Miller, “Obama Drops ‘Good Faith’ Offer From Budget,” [Time](#), 2/20/14)

**Obama’s 2015 Budget Will Drop His Previous Proposal For Modest Social Security Reforms, While Adding \$56 Billion In New Spending Initiatives.** “The White House budget to be released early next month will propose \$56 billion in new spending on domestic and defense priorities and drop a proposal that was included in last year’s budget as a way to attract Republican support -- a plan that would have included less generous payouts of Social Security benefits” (Zachary Goldfarb, “BREAKING: White House Budget To Boost Spending By \$56 Billion, Drop Boehner ‘Grand Bargain,’” [The Washington Post](#), 2/20/14)

- **“Chained CPI” Would Save \$162.5 Billion Over The Next Decade And Is A “Method Of Long-Term Deficit Reduction That Imposes Only Modest Sacrifices.”** “The measure would save \$162.5 billion over the next decade, according to the Congressional Budget Office, thus helping to trim the entitlement costs that are on track to drive the U.S. budget deficit unsustainably higher beginning early in the next president’s first term. Appropriately tempered with protections for the very poor and very elderly, chained CPI is an efficient method of long-term deficit reduction that imposes only modest sacrifice on the vast majority of Americans.” (Editorial, “Mr. Obama Backpedals On Entitlement Reform,” [The Washington Post](#), 2/21/14)

**The Washington Post Editorial Headline: “Mr. Obama Backpedals On Entitlement Reform.”** (Editorial Board, “Mr. Obama Backpedals On Entitlement Reform,” [The Washington Post](#), 2/21/14)

- **“This Is A Huge Disappointment.”** “This is a huge disappointment. As far as anyone can tell, the president’s view on the merits of chained CPI hasn’t changed.” (Editorial Board, “Mr. Obama Backpedals On Entitlement Reform,” [The Washington Post](#), 2/21/14)

- **Obama Has “Abdicated What Little Leadership On Entitlement Reform He Had Shown,” Abandoning His Promises To Not Leave The Problem For His Successor.** “In so doing, he has abdicated what little leadership on entitlement reform he had shown, making it much more likely that the problem will be left for his successor — contrary to Mr. Obama’s repeated assurances, both as a candidate in 2008 and as president.” (Editorial Board, “Mr. Obama Backpedals On Entitlement Reform,” [The Washington Post](#), 2/21/14)

### ***Obama’s “Much Rosier” View Of The National Debt Is Driven By Risky Assumptions***

**“Senior Administration Officials Said The Recovering Economy And Improving Fiscal Picture Lessened The Imperative For Swift Action On Entitlement Reform.”** “Senior administration officials said the recovering economy and improving fiscal picture lessened the imperative for swift action on entitlement reforms, but they acknowledged that action will eventually have to be taken to ensure the sustainability of social insurance programs.” (Zeke J. Miller, “Obama Drops ‘Good Faith’ Offer From Budget,” [Time](#), 2/20/14)

**White House Deficit Projections Are “Much Rosier” Than Those From The CBO.** “As a result, the White House projects that annual budget deficits will fall below 2 percent of gross domestic product by the end of the decade. That outlook is much rosier than CBO projections, which show the deficit rising to 4 percent of GDP in 2024.” (Zachary A. Goldfarb, “With 2015 Budget Request, Obama Will Call For An End To Era Of Austerity,” [The Washington Post](#), 2/20/14)

- **The Budget Also Assumes The “Somewhat Mysterious Slowdown In Healthcare Spending Will Continue.”** “It also assumes that a sharp, but somewhat mysterious slowdown in health-care spending will continue throughout the next decade.” (Zachary A. Goldfarb, “With 2015 Budget Request, Obama Will Call For An End To Era Of Austerity,” [The Washington Post](#), 2/20/14)

**Deficits Remain “Far” From Solved, But Have Become “An Afterthought” In Obama’s Washington.** “Just four years ago, deficits and debt were an explosive political combination, propelling Republicans to control of the House and fueling the budget fights that would ensue over the next three years. Today, they are an afterthought — a dying ember in Washington’s political and policy landscape. ... That doesn’t mean the problem has been solved. Far from it. The nonpartisan Congressional Budget Office projects deficits will rise again in a couple of years, pushed up by an aging population, rising health care costs and anticipated increases in interest on the nation’s debt, the amount accumulated over the years by deficit spending.” (Jim Kuhnheen, “Debts, Deficits Once A Focus Fad From Agenda,” [The Associated Press](#), 2/21/14)

**Federal Debt As A Percent Of GDP Is Expected To Be 74 Percent By The End Of The Year, The Highest Level In 68 Years.** “But the nation’s debt continues to grow, the CBO says, ever rising as a share of the nation’s gross domestic product. The CBO estimates that the federal debt will equal 74 percent of GDP at the end of the year, the highest since 1946, and it projects that based on existing laws, it will rise to 79 percent in 2024.” (Jim Kuhnheen, “Debts, Deficits Once A Focus Fad From Agenda,” [The Associated Press](#), 2/21/14)

### ***Instead Of Dealing With The Debt, Obama Has Decided To Focus On Spending***

**Obama Added A \$56 Billion Plan Called The “Opportunity, Growth And Security Initiative” And A \$1 Billion Climate Resilience Fund.** “Within those limits, Obama is repackaging some previous proposals, including spending on education, research, education and job training, into a \$56 billion plan the administration calls an ‘Opportunity, Growth and Security Initiative.’ Half the spending is for defense, half for non-defense programs... Obama previously announced he also will ask Congress to approve a \$1 billion Climate Resilience Fund as part of the budget to help federal, state and local governments prepare for the effects of climate change.” (Roger Runningen and Richard Rubin, “Obama Budget To Delete Proposal To Limit Social Security,”

[Bloomberg](#), 2/21/14)

- **Obama's Budget Will Focus On "Pumping New Cash" Into Domestic Spending.** "With the 2015 budget request, Obama will call for an end to the era of austerity that has dogged much of his presidency and to his efforts to find common ground with Republicans. Instead, the president will focus on pumping new cash into job training, early-childhood education and other programs aimed at bolstering the middle class, providing Democrats with a policy blueprint heading into the midterm elections." (Zachary A. Goldfarb, "With 2015 Budget Request, Obama Will Call For An End To Era Of Austerity," [The Washington Post](#), 2/20/14)

**Obama's New Spending Will Provide "Democrats With A Policy Blueprint Heading Into The Midterm Elections."** "Instead, the president will focus on pumping new cash into job training, early-childhood education and other programs aimed at bolstering the middle class, providing Democrats with a policy blueprint heading into the midterm elections." (Zachary A. Goldfarb, "With 2015 Budget Request, Obama Will Call For An End To Era Of Austerity," [The Washington Post](#), 2/20/14)

## **OBAMA HAD PROMISED TO STOP "KICKING THE CAN DOWN THE ROAD" ON ENTITLEMENTS BUT WILL INSTEAD BOW TO PRESSURE FROM HIS OWN PARTY**

**"The President's View On The Merits Of Chained CPI Hasn't Changed... Obama's Rational For Taking The Idea Out Of His Budget Was Instead Openly Political."** (Editorial, "Mr. Obama Backpedals On Entitlement Reform," [The Washington Post](#), 2/21/14)

- **FLASHBACK: In 2009, Obama Said We Are Going To Have To Craft A "Grand Bargain" On Entitlements Because We Have "Kicked This Can Down The Road, We're Now At The End Of The Road, And We Are Not In A Position To Kick It Any Further."** OBAMA: "The real problem with our long-term deficit actually has to do with our entitlement obligations and the fact that historically if our revenues range between 18 and 20 percent of GDP, they're now at 16, it's just not sustainable. So, we're going to have to craft, what George Stephanopoulos called a 'grand bargain,' and I try not to use the word 'grand' in anything I say, but we're going to have to shape a bargain. This by the way is where there is going to be some very difficult choices, and issues of sacrifice and responsibility and duty are gonna come in because what we have done is kicked this can down the road, we're now at the end of the road, and we are not in a position to kick it any further." (President Barack Obama, [Remarks Before The Washington Post Editorial Board](#), Washington D.C., 1/15/09)

**The Washington Post Editorial: "A More Plausible Explanation For The President's Move Is the Revolt On The Left Wing Of His Own Party..."** "After all, chained CPI could be applied government-wide, so as to affect tax brackets and benefit programs at an additional savings of \$140 billion over 10 years. A more plausible explanation for the president's move is the revolt on the left wing of his own party, where progressives are clamoring for an increase in Social Security benefits, future deficits be damned." (Editorial, "Mr. Obama Backpedals On Entitlement Reform," [The Washington Post](#), 2/21/14)

- **Obama Has "Concluded That The Expedient Course Is to Bash Republicans Rather Than To Resist Bad Policy Ideas Emanating From His Own Camp" Due To Democrats Battling To Hold Their Senate Majority.** "With his party facing a battle to hold its Senate majority in November, Mr. Obama has apparently concluded that the expedient course is to bash Republicans rather than to resist bad policy ideas emanating from his own camp." (Editorial, "Mr. Obama Backpedals On Entitlement Reform," [The Washington Post](#), 2/21/14)

**Senior Administration Officials Confirmed That They Chose To Propose A More Partisan Budget.** "Senior administration officials said they decided to chart a more partisan, aspirational path after



Republicans failed to respond to the olive branch offered last year.” (Zachary A. Goldfarb “With 2015 Budget Request, Obama Will Call For An End To Era Of Austerity,” [The Washington Post](#), 2/20/14)

### ***Obama’s Budget Is More Of A Political Document Than A Serious Proposal***

**Obama’s Decision To Drop Entitlement Reforms Is A “Sign Democrats Are Girding For November Congressional Elections.”** “President Barack Obama's soon-to-be released budget proposal for the 2015 fiscal year drops a past offer to trim cost-of-living increases in Social Security, a White House official said on Thursday. The offer made in last year's budget had been an attempt to gain some Republican support. Dropping it this year is a sign Democrats are girding for November congressional elections.” (“Obama Budget Offer To Drop Olive Branch For Republicans,” [Reuters](#), 2/20/14)

**Obama’s Plan To Reform Social Security Benefits “Infuriated Democrats.”** “A centerpiece of that framework was a proposal — demanded by GOP leaders — to use a less-generous measure of inflation to calculate Social Security benefits. The idea infuriated Democrats and never gained much traction with rank-and-file Republicans, who also were unwilling to contemplate tax increases of any kind.” (Zachary A. Goldfarb “With 2015 Budget Request, Obama Will Call For An End To Era Of Austerity,” [The Washington Post](#), 2/20/14)

**Over 100 House Democrats And 16 Senate Democrats Wrote To Obama Asking Him To Drop Social Security Reform.** “More than 100 House Democrats wrote to Obama on Wednesday urging him to drop the chained CPI proposal, following a similar letter from 16 Senate Democrats that was led by Sen. Bernie Sanders (I-Vt.).” (Zachary A. Goldfarb “With 2015 Budget Request, Obama Will Call For An End To Era Of Austerity,” [The Washington Post](#), 2/20/14)

- **At A Meeting Earlier This Month, Liberal Senate Democrats Pressed Obama To Not Include Reforms To Social Security, Medicare Or Medicaid In His Budget.** “Senate Democrats on Friday told President Obama they don’t want to see cuts to Social Security, Medicare or Medicaid in his annual budget. Sixteen senators wrote to the president as fears persist among liberals that Obama will once again offer some entitlement cuts in his budget, which is set to be released March 4.” (Erik Wasson, “Senate Dems Warn Obama On Social Security, Medicare Cuts,” [The Hill](#), 2/14/14)
- **Sens. Tom Harkin, Sherrod Brown, And Elizabeth Warren, “Not Only Oppose The Cuts [To Social Security], But Also Favor An Expansion Of Social Security Benefits.”** “A year later, the paradigm has completely swung. Obama will drop the proposal from his budget this year. Led by Sens. Tom Harkin (D-Iowa), Sherrod Brown (D-Ohio), and Elizabeth Warren (D-Mass.), many Democrats now not only oppose the cuts, but also favor an expansion of Social Security benefits.” (Brett Loguirato, “How Liberals Killed The ‘Grand Bargain,’” [Business Insider](#), 2/21/14)

**Senate Democrats Worried That Another Push By Obama To Reform Entitlements Would Undermine Their Messaging In The 2014 Elections.** “The Senate Democrats are warning that cuts to Social Security do not jive with the president’s focus on income inequality. The issue of entitlement spending is a highly charged one this election year, and many Democrats are trying to paint themselves as the party with compassion.” (Erik Wasson, “Senate Dems Warn Obama On Social Security, Medicare Cuts,” [The Hill](#), 2/14/14)