

The Truth-O-Meter Says:

"The reason we have a national debt is not because of defense spending. What is driving our long-term debt are Medicare and Social Security programs." - Marco Rubio on Wednesday, November 20th, 2013 in a speech at American Enterprise Institute

Medicare and Social Security -- not defense -- are driving debt, says Marco Rubio

By Amy Sherman

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Sen. Marco Rubio, R-Fla., gave a <u>speech</u> about foreign policy at the conservative American Enterprise Institute Nov. 20. After his speech, a Floridian in the audience asked him a question about how to convince Americans to support consistent defense spending.

During part of his answer, Rubio made some claims about the debt.

"The reason we have a national debt is not because of defense spending. What is driving our long-term debt are Medicare and Social Security programs that are structured in unsustainable ways."

We decided to check in with several economists across the political spectrum and ask if Rubio's assessment about the debt was correct.

Medicare, Social Security and defense

The economists we interviewed generally agreed that Medicare and Social Security account for huge chunks of our long-term debt. However, they also said that defense spending is also a factor, and some experts noted that Rubio left out a couple of other important factors: interest payments on the debt and Medicaid.

Rubio didn't quantify the role of defense in our national debt or specify a timeframe, he simply said that debt isn't due to defense spending.

But it's a bit too simplistic to let defense spending entirely off the debt hook.

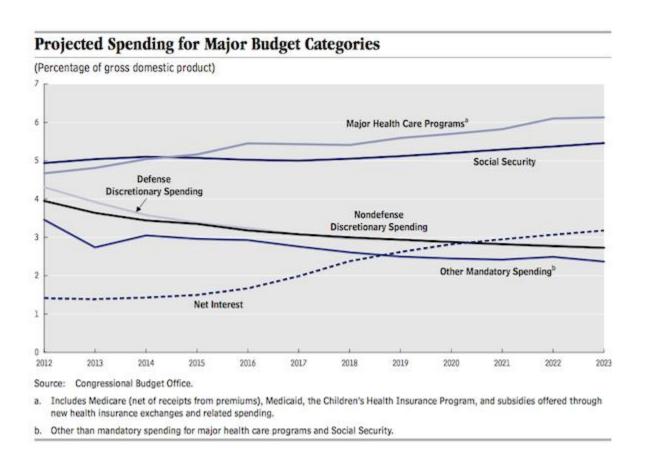
"It is incorrect to say our current debt has nothing to do with defense spending, because we spend a lot of money on national defense every year, and we have large deficits -- therefore defense spending is one of the causes of our debt increase," said Josh Gordon of the centrist Concord Coalition.

Chris Edwards of the libertarian Cato Institute sent us numbers which showed that based on 2014 total spending, "defense is 17 percent of the problem, Medicare is 17 percent of the problem, and Social Security is 24 percent of the problem."

Rubio zeroed in on the long-term debt and Medicare and Social Security -- and there is evidence to support his claim.

The <u>Congressional Budget Office</u> predicts that spending as a percentage of gross domestic product for entitlement programs such as Medicare and Social Security will grow much faster than defense. Defense spending will also grow, but at a far slower rate.

Here's a chart we found from the CBO that illustrates that general point; the CBO includes other health programs in the top line in addition to Medicare:



By 2023, "the share of total spending by the entitlements will be much more than defense, and thus increasingly the entitlements are more drivers of deficits and debt than defense," Edwards

said. While entitlements are more of a problem, "defense and other areas of spending are problems as well."

All of our spending is responsible for the debt, said Ron Haskins, a senior fellow in the Economic Studies program at Brookings and a past senior adviser on welfare policy for President George Bush.

"However, if you look at the most expensive and rapidly growing items as the major culprits, which seems reasonable to me, then Social Security is the biggest item, and Medicare in particular and health care in general the most rapidly growing in most years," Haskins said in an email. "Rubio's list does not include a huge item, and that is interest payments. Over the next few decades, interest payments are likely to be the biggest single item in our budget and the most rapidly growing."

Romina Boccia, a fellow in federal budgetary affairs at the conservative Heritage Foundation, cited spending growth in Medicare, Medicaid, Social Security and Obamacare subsidies for our long-term deficit.

"Social Security is the largest federal spending program and has held this position since surpassing defense in 1993," she said.

Dean Baker, a liberal economist at the Center for Economic and Policy Research, argued that Social Security can't drive the debt.

"Under the law it can only pay benefits insofar as it has money in the trust fund," he said. "This means that it cannot possibly spend more than was collected in Social Security taxes."

(We should note that the questions around the Social Security trust fund are particularly complex. Earlier this year, we rated a claim that the Social Security trust fund is "sound" as Half True.)

So what's the solution to reducing our debt?

"Reversing the upward trajectory of the debt will require taking a look at ways to control health costs and reform Social Security," said Jason Peuquet at the Committee for a Responsible Federal Budget. "But that doesn't mean other savings can't play a vital role. Reforming the tax code to raise more revenue and reducing other spending will be vital elements in actually getting the debt under control."

Our ruling

Rubio said in a speech, "The reason we have a national debt is not because of defense spending. What is driving our longterm debt are Medicare and Social Security programs."

Rubio is correct that Medicare and Social Security are drivers of our debt -- but there are other factors, too, including Medicaid and interest, economists said.

Also, defense spending isn't entirely off the hook. While Medicare and Social Security are projected to grow as a percentage of GDP, defense is projected to shrink by the same measurement -- but defense is a factor in our debt, albeit a far lesser one.

We rate this claim Mostly True.