
The Hammill Post

THE NEWS YOU NEED TO KNOW

Obamaspend: Spendthrift or Penny Pincher?

By Bill Amos on April 21, 2013.

When people discuss the many successes and failures of Barack Obama as president, spending is usually front and center. It has been said Obama is spending us into bankruptcy, Obama spends more than the preceding 200 years of presidents and soon the Chinese will own America due to Obama. But are these assertions valid? A retrospective view casts doubt.

The first year of Obama's tenure as president, the federal government spent 17.9% more than it had the previous year. This sounds ominous. The federal budget went from \$2.98 trillion to \$3.52 trillion.

Upon examination we see that the first year of 'Obamaspend' was due to the budget passed in 2008 by Congress under the preceding president and in effect 4 months before the new president took office.

According to the Cato Institute, in its late 2009 budget analysis, "The 2009 fiscal year began October 1, 2008, nearly four months before Obama took office. The budget for the entire fiscal year was largely set in place while [President George W.] Bush was in the White House. So i[f] we update the chart to show the Bush fiscal years in green, we can see that Obama is partly right in claiming that he inherited a mess (though Obama actually deserves a small share of the blame for Bush's last deficit since earlier this year he pushed through both an 'omnibus' spending bill and the so-called stimulus bill that increased FY2009 spending)."

Cato-CBO Federal Budget Analysis

A graph depicting past and expected increases and decreases in federal spending, according to CBO records and projections. Source: Cato Institute.

The Weekly Standard's Jeffrey H. Anderson followed in early 2011 with an analysis writing, "In fairness, ... Obama can't rightly be held accountable for the 2009 budget, which he didn't sign (although he did sign a \$410 billion pork-laden omnibus spending bill for that year, which is nevertheless tallied in Bush's column). Rather, Obama's record to date should really be based on actual and projected spending in fiscal

years 2010 and 2011 (plus the \$265 billion portion of the economic ‘stimulus’ package, which he initiated and signed, that was spent in 2009[)] ... while Bush’s should be based on 2002-09 (with the exception of that same \$265 billion, which was in no way part of the 2009 budgetary process).”

These points are particularly significant as neither Cato nor The Weekly Standard are regarded as being liberal or even moderate in today’s ideological spectrum.

Perhaps the first year was an anomaly. Let’s see what the nonpartisan congressional budget has had to say. CBO figures used during 2012 are the data primarily used for business analysis prior to sequestration and other artificial crisis points. Those figures showed federal spending falling by 1.8% to \$3.46 trillion in 2010; rising 4.3% to \$3.6 trillion in 2011; rising 7% to \$3.63 trillion in 2012; and then falling 1.3% to 3.58 trillion by the end of 2013.

These were the bona fide figures used during almost the entire last year of debate. They are also used throughout private business for planning and forecasting. They make Obama look to be the most frugal president since Eisenhower.

So who is responsible for the spending of the last decade?

We know that President Bill Clinton left office with a relatively healthy budget surplus. We are all aware of the tax cuts, the cost of the two wars, the prescription drug bill and the subsequent stimulus package.

The historical nature of these facts tends to overwhelm the true seminal point. Has Obama been relatively conservative in his spending, notwithstanding what was considered necessary to save the country from a depression or to save industries vital to America’s recovery in the absence of private financing? That case can be made based on the data.

We can also assume that declining health care cost increases have some merit in an overall intention of providing coverage to more Americans while attempting to trim profit margins for insurance companies.

One might disagree with Obama’s program priorities and goals, but it is somewhat disingenuous to categorize him as a spendthrift.