



# President Obama Claims His Administration Didn't Lose Taxpayer Money in the Auto Bailout

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President Barack Obama claims that taxpayers didn't lose any [money](#) during his administration's part in the [auto](#) industry bailout, which reportedly cost the federal government nearly \$15 billion.

The United States Treasury Department announced the sale of the final shares of government-owned General Motors stock on Monday. The White House has stated that all the committed bailout money has been repaid, [The Washington Times](#) reported.

"GM has now repaid every taxpayer dollar my administration committed to its rescue, plus billions invested by the previous administration," Obama said in a statement.

While the White House didn't respond to questions regarding the mathematical conclusion, analysts are calling the argument a "last-in, first-out" method of accounting, according to [The Washington Times](#).

For the auto [industry](#) rescue, the federal government lent \$80 billion total to American carmakers GM and Chrysler. The first \$13.4 billion came from George W. Bush's administration in late 2008, while the remainder was loaned by Obama.

The government [lost about \\$10.5 billion](#) after selling its GM shares, and analysts predict that the overall cost to taxpayers will be closer to \$15 billion.

The U.S. Treasury confirmed this week that it recovered \$39 billion from selling its GM shares and that the government had put \$49.5 billion of taxpayer money directly into the bailout.

"Obama gets out \$40 billion [from GM] and he's saying, 'OK, I'm covered,'" said Daniel Ikenson, director of trade policy at the libertarian Cato Institute. "All along, we knew the taxpayer wouldn't be made whole when this eventually unwound."

Labor analyst James Sherk of the conservative Heritage Foundation called the claim "a meaningless distinction."

Sherk said, "The money is fungible. What Bush essentially did was to leave enough money for Obama to come in and do what he was going to do."

A recent study from the Center for [Automotive](#) Research said the bailout saved 1.5 million U.S. jobs and preserved \$105.3 billion in "personal and social insurance tax collections."

GM has rebounded thanks to a rising demand for [cars](#) in the U.S.

"We will always be grateful for the second chance extended to us and we are doing our best to make the most of it," GM Chairman and Chief Executive Dan Akerson said in a statement.

Some industry watchdogs wonder if the companies would have recovered on their own. Brian Richter, a University of Texas economist, studied the intervention's effects on Chrysler and believes consumers were disinclined to buy from a carmaker receiving a bailout.

"Chrysler started selling more cars almost immediately after the government exited," Richter said. "A lot of it does appear to be consumer sentiment."