

The Truth-O-Meter Says:



The screenshot shows a PolitiFact article. At the top left is the 'Winning Our Future' logo. The main headline reads: **"Newt balanced the federal budget."** Below this, it says 'Winning Our Future on Tuesday, December 27th, 2011 in a video ad'. The sub-headline is: **Ad credits Newt Gingrich with balancing the budget**. Below the sub-headline, there is a short paragraph: 'A TV ad airing in Iowa in the final week before the caucuses calls Newt Gingrich a "principled conservative" who has "fought for us."' To the right of this paragraph is a 'Truth-O-Meter' graphic showing a needle pointing to 'HALF TRUE'. Further right is a 'Share this story:' section with 'Recommend' (25) and 'Tweet' (21) buttons.

Here's how: "Newt balanced the federal budget, reformed welfare, cut taxes and created 11 million new jobs," a man's voice says as photos of Gingrich flash on the screen.

The ad was produced the week of Dec. 26, 2011, by a group called [Winning Our Future](#), a "super PAC" that can raise money for elections but isn't formally affiliated with any candidate. Winning Our Future is clearly pro-Gingrich, [stating on its website](#) that its goal is to make him the Republican nominee for president.

The [ad](#) makes several claims. Here, we're focusing on the assertion that Gingrich balanced the federal budget.

We've previously reported that there were indeed budget surpluses during his time as speaker of the House, from 1995 to 1999. By fiscal year 1998, the federal budget did reach a surplus of \$69 billion. And in fiscal year 1999 -- which Gingrich can claim some responsibility for, even though he was out as speaker for most of the fiscal year -- it was in surplus as well, to the tune of \$126 billion.

So our main question is, how much credit does Gingrich deserve?

We asked several experts who said it's a stretch to credit Gingrich alone because there were many forces and people at work in bringing the government to a balanced budget.

The primary one: a booming economy.

"The budget ended up balancing faster than either party expected simply because

economic growth was so strong," said Chris Edwards, an economist at the libertarian Cato Institute. "I don't think either party had much to do with that."

He does credit Gingrich for pushing President Bill Clinton toward reducing the deficit.

In his 1996 budget, "Clinton proposed to stabilize the deficit at around \$190 billion. He did not propose to balance the budget. The Republicans under Gingrich pushed him into it," Edwards said, and that materialized in the Balanced Budget Act of 1997.

Stan Collender, a former Democratic staffer for the House and Senate budget committees, was less generous about crediting Gingrich.

"It happened on his watch but it doesn't mean that he gets credit for it," said Collender. "The only thing you can give him credit for is stalling some additional spending programs."

Collender agreed that the balanced budget was more a result of "a soaring economy, with capital gains taxes coming in, and the tech bubble than it had anything to do with legislation."

Steve Ellis, vice president of Taxpayers for Common Sense, said Gingrich is simply doing what politicians do.

"He's just kind of ignoring that there was anybody else in Washington doing anything about the budget, which is kind of in a politician's DNA," Ellis said.

Another factor Ellis cited is the 1993 tax increase that Clinton pushed through, over Gingrich's and all other House Republicans' objections. Tax increases generated more revenue, which led to surpluses.

"It's not necessarily the spending differential, it's the revenue differential," Ellis said.

Stuart Rothenberg, editor of the *Rothenberg Political Report*, summed up the ad's claim this way:

"The idea that one person, in this case Gingrich, is responsible for a balanced budget seems far-fetched at best and, frankly, pretty silly. Ever hear of checks and balances?"

### **Our ruling**

Winning Our Future's ad says, "Newt balanced the federal budget."

Gingrich was House speaker in 1998, the first year of the surplus, and he can be given some credit for the 1999 surplus, even though he was out of Congress for most of that fiscal year.

Even so, simply being speaker during the surplus years doesn't mean that the balanced budget was his doing. He pushed for it, yes. But other factors like Clinton's 1993 tax increase -- which Gingrich opposed -- were at work, too. And our experts agreed that a booming economy, generating millions more revenue, was the single most important factor, and one that no politician can take credit for. We rate the ad's claim Half True.