



United States Senate Budget Committee

JEFF SESSIONS | Ranking Member

The \$4 Trillion Deceit

The President and his surrogates have continued to insist that his budget, voted down unanimously in the Senate and House this year after failing to garner a single Senate vote last year, contains \$4 trillion in deficit reduction.¹ They have asserted that this purported deficit reduction comes from a 2.5-to-1 ratio of spending cuts to tax increases.² These claims are provably and outrageously false. It is not a matter of nuance, perspective, or context, but sober, objective, and indisputable fact.

The claim that the President's budget achieves \$4 trillion in deficit reduction primarily through spending cuts relies on three key accounting tricks: claiming savings *already in law* from the Budget Control Act (\$2.1 trillion); using a widely criticized accounting gimmick to claim savings from war spending that was never going to occur (\$834 billion);³ and assuming the Medicare "doc fix" occurs but never specifying how it will be paid for (\$394 billion).

When properly counted, \$4 trillion in new alleged deficit reduction becomes less than \$400 billion. There is no policy change to alter our disastrously unsustainable path. As the *Washington Post's* Glenn Kessler points out, "the repeated claim that Obama's budget reduces the deficit by \$4 trillion is simply not accurate... virtually no serious budget analyst agreed with this accounting."⁴

But it gets worse still. The President doesn't simply claim the BCA spending cuts from more than a year ago as new cuts, but he restores that spending and replaces it with tax increases. Overall, the President proposes to spend \$1.4 trillion more than we would spend if no policy changes were made, meaning the President's \$1.8 trillion tax hike is used to fund new spending, not to lower deficits.

The most sensational falsehood from President Obama and his allies, made repeatedly to the American people, is the claim that his budget plan would "pay down our debt"⁵—meaning at some point over the next decade it would turn annual deficits to surpluses. The numbers from his own Office of Management and Budget show this to be spectacularly false. The lowest single deficit under his budget is \$543 billion, with the deficit actually rising to \$652 in the tenth year. Overall, the President's budget would raise our nation's gross federal debt to \$25.4 trillion.

¹ For example, "The President's proposals... include a balanced deficit reduction plan that would reduce our deficits by \$4 trillion over 10 years..." White House Press Secretary Jay Carney, [press gaggle](#), June 14, 2012

² President Bill Clinton, [remarks at the Democratic National Convention](#), Sept. 5, 2012

³ Significantly, the House Republican budget did not rely on this gimmick; if it had, its deficit reduction would immediately be nearly a trillion dollars greater.

⁴ Glenn Kessler, "[Fact checking Bill Clinton's speech and other Democrats at the convention in Charlotte](#)", *Washington Post*, Sept. 6, 2012

⁵ President Barack Obama, [OFA TV ad "The Choice"](#), July 23, 2012