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FISCAL RESPONSIBILITY: WHICH PARTY HAS THE BETTER RECORD?

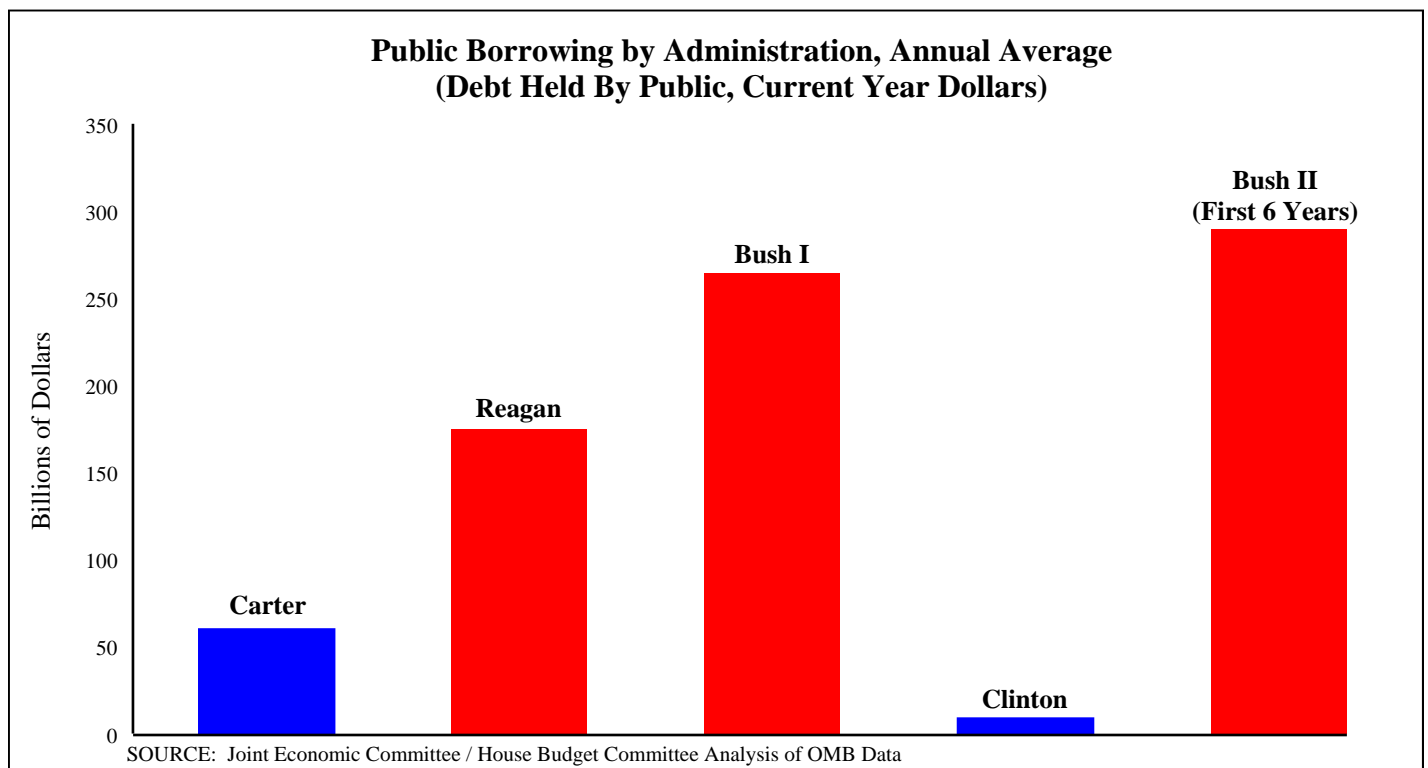
When it comes to fiscal responsibility, Democratic administrations have a proven track record. The great majority of our national debt has been incurred by the past three Republican administrations. Instead of building up surpluses in preparation for the upcoming retirement of the Baby Boom generation, the current Bush administration has abandoned fiscal discipline and permitted the debt to skyrocket.

Sharp Contrast Between Parties on Annual Public Borrowing

The U.S. government has borrowed over \$5 trillion from the public in the past thirty years. In 2007, American taxpayers will pay \$235 billion in net interest payments to service this debt, or 9.1 cents on every dollar of government revenues.

Over the past thirty years, public borrowing has averaged \$233 billion per year under Republican administrations compared to \$26 billion per year under Democratic ones – nine times as high.

- \$1.8 trillion, or 35 percent, of the total debt owed to the public has been accumulated under the past six years of the current administration.



Fiscal Responsibility: Which Party Has the Better Record?

- \$4.2 trillion, or 83 percent, of the total debt owed to the public was accumulated under the past three Republican administrations.

Debt held by the public excludes amounts owed by one U.S. government account to another. The net debt held by the public determines the total interest payments the government must pay, and most directly reflects the degree to which the Federal government must borrow to finance current deficits. For this reason, many economists focus on total debt owed to the public as the best single metric of the government's indebtedness.

Over One-Third of the Total National Debt Has Been Incurred Under the Current Administration

- About \$3.2 trillion of our \$8.9 trillion total national debt has been accumulated during the past six years of the current Administration.
- Almost three-quarters of the total national debt has been accumulated under the past three Republican administrations – Reagan, George Bush Sr., and the current George Bush.

