

Reducing Barack Obama's Unsustainable Deficit Act ***Bailing Out Obama's Busted Budget***

"The long-term deficit and debt that we have accumulated is unsustainable. We can't keep on just borrowing from China, or borrowing from other countries...At some point they're just going to get tired of buying our debt. And when that happens, we will really have to raise interest rates to be able to borrow, and that will raise interest rates for everybody -- on your auto loan, on your mortgage, so it will have a dampening effect on the economy," – **President Barack Obama**, May 14, 2009

There's no denying that the economy has suffered through our current recession, but President Obama's cure has turned out to be worse than the disease. The President used empty promises and faulty numbers to pass a so-called stimulus package, yielding only deeper unemployment, and he has turned the misguided TARP program he supported into a slush fund for whatever the administration deems appropriate. While the President pats himself on the back for "saving or creating" 150,000 jobs (based on a data model) and says the "stimulus" has "done its job," it's instructive to take a real world look at what's really been created:

Side-effects of President Obama's Budget Busting Economic Policies:

- ✦ **Deep job losses.** Despite the administration's promise that their "stimulus" package would "save or create" 3.5 million jobs, the monthly reports from the Bureau of Labor Statistics show over 2 million more Americans are out of work since enactment (467,000 in June 2009 alone).
- ✦ **Unemployment rate approaching double digits.** Currently at 9.5%, the unemployment rate is expected to continue upwards into double digits and remain there well into 2010.
- ✦ **Stunning Borrowing.** To date, the government has borrowed almost 900 billion dollars just since President Obama took office.
- ✦ **Record breaking debt auctions.** To finance the spending spree, Treasury's debt auctions are setting new records. A one week debt auction record of 104 billion dollars was set last month, and this week's auction created another 73 billion dollars out of thin air.
- ✦ **An unprecedented pile of debt.** This year's deficit is projected to be 1.84 trillion dollars—four times the next highest deficit in U.S. history. The President's budget would increase the national debt from 10 to more than 23 trillion dollars.

The President's "stimulus" and free-spending philosophy has failed to promote the economic growth and job creation he promised the American people. As the President has described himself, the resulting unsustainable and crushing debt load threatens the prosperity of generations of Americans. Now the American people want their money back. To offer the President a path toward fiscal and economic security, the RSC introduces the ***Reducing Barack Obama's Unsustainable Deficit Act***, legislation that:

- ✓ Repeals the spending portion of the President's "stimulus" package – saving taxpayers \$460 billion
- ✓ Leaves intact the package's tax relief and unemployment benefits
- ✓ Prohibits the Treasury Secretary from obligating any further TARP funds – saving taxpayers \$150 billion
- ✓ Requires all repayments of TARP money to go exclusively to debt reduction - no open-ended slush fund