

Obama reminds Americans he inherited the high deficit from Republicans

Feb 1, 2010 16:35 EST Barack Obama | budget | deficit | George W. Bush | Republicans



Lest there be any doubt, President Barack Obama, a Democrat, blames Republicans for leaving him a huge deficit when he took office.

Heard that before? Many times, probably. The president, who is under pressure for spending associated with the \$787 billion stimulus package, bank bailouts and car company rescues, introduced his budget on Monday with another reminder of what he faced when he came into office.

"The fact is, 10 years ago, we had a budget surplus of more than \$200 billion, with projected surpluses stretching out toward the horizon," Obama said.

"Yet over the course of the past 10 years, the previous administration and previous Congresses created an expensive new drug program, passed massive tax cuts for the wealthy and funded two wars without paying for any of it — all of which was compounded by recession and by rising health care costs," he said.

The result: a \$1.3 trillion deficit when he first took over the Oval Office.

On Monday his administration forecast a \$1.56 trillion deficit in 2010.

Administration officials acknowledge that even though Obama didn't create the full problem, it's now his to fix.

What do you think? Is it right for Obama to put most of the blame for the high deficit on the opposition party and his predecessor, George W. Bush?

Expect to hear the reminder again.

Photo credit: Reuters/Jason Reed (Obama)

Comments

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Feb 1, 2010 5:07 pm EST

George Bush and the Republicans caused this mess which will take years to fix. Wow and now the Republicans are lecturing Obama on how to fix the problem they created. They have absolutely no credability or shame.

Posted by Johnnyk | <u>Report as abusive</u>

Feb 1, 2010 5:45 pm EST

We're looking at an eight year train wreck caused by Bush and the Republians. No credibility and no shame sums it up pretty darned well.

Posted by cln | <u>Report as abusive</u>

Feb 1, 2010 6:03 pm EST

Yep, the prior administration and the spineless ones of congress can certainly bear some of the responsibility for the current financial situation. But I have not noticed the current administration changing their historical pattern of free spending ways. They're response to irresponsible spending is...more spending. Throw 'em all out!

Posted by lmike | <u>Report as abusive</u>

Feb 1, 2010 6:07 pm EST Blame them blame him, it is all OUR fault as a Nation. We all want to be rich and have the other guy pay for it. We are ALL responsible. Grow up! Our labor unions demand what the companies can not pay and price us out of the market by doing so. Our Gov't gives non citizens more help than they do a native born American. You can not spend your way out of debt.

Posted by Sonnyjc9 | Report as abusive

Feb 1, 2010 6:29 pm EST

We would all well be reminded that the surplus created from 1992 to 2000 was done by a person who used social security funds. Research it. This person reallocated the money from the Social Security Administration, of which is now lacking in any funds, and used the money to make the U.S. Government look like it was running a surplus. The 1992 to 2000 Administration also had the opportunity to rein Bin Laden in to save future generations from Bin Laden's doings. They failed to do so. Read about it. The administration from 2000 to 2008 had to deal with terrorists and Osama Bin Laden's network that the administration in the 1990's let go. The last administration called for the SEC to disallow much of the shenanigans regarding lending and insurance on loans. The 2003 Congress would not let that administration do it. The administration in the first decade of this century basically was challenged in salvaging what the prior administration had torn apart because the 1992-2000 Administration was too busy making things look good instead of getting down to work.

Posted by FrankVermont | Report as abusive

Feb 1, 2010 7:54 pm EST

Obama has continued to spend, spend, spend...

He was elected to correct the problems that were

caused by previous administrations. When he blames Bush, he is telling us loud and clear that he does not know how to do his job. He told everybody that he could fix everything while he was campaigning. Now it is time for Obama to put up or shut up. Do the work or step down and let someone more qualified take over.

Posted by Cricket52 | Report as abusive

Feb 1, 2010 8:19 pm EST

For over a year I have heard Obama blame President Bush's administration for the problems that he has inherited. I may not be as intelligent as Obama. Was he not a Senator from Illinois at the time?

Obama, what did you do to help President Bush at the time? Did YOU work with the Republicans or?!

Did your parents not teach you, not to blame someone else, when and where you could have had the solution? You sure preach it like they may have!!!! I was taught to practice what you preach, and I still live by those standards. Even though everyone may not agree with what I preach!

Posted by k1080 | Report as abusive

Feb 1, 2010 8:49 pm EST

Cricket52. Now let's be sensitive. President Obama didn't have time to work on solving the problem because he had to run for president.

But seriously, when congress was recaptured by the democrats in 2006, they sat on their hands for the next two years. Didn't do a thing to solve any problem facing this country. Their sole agenda was to do nothing so Bush could be blamed for the problems over the next two years.

It amazes me how Bush is blamed for the financial crisis, but congress administers the funds, not the president. The democrats are as guilty as any republican because they wasted two years up to the "crisis" in Oct 2008. Then, since an election was around the corner, they got religious and screamed regulation of the financial industry needed to happen right away.

John McCain had been screaming for regulating the financial industry in those two years, but democrats like Rangel, Frank and Dodd would have nothing to do with it, Only after everything fell apart in Oct of 2008 did they scream for regulation.

Those democrats should be put in jail for that.

Posted by TyC | Report as abusive

Feb 1, 2010 10:02 pm EST

I am getting sick and tired of hearing the constant blame on Bush and the Republicans when the Democrats have been in control of the Congress for many years.

It seems to me that at some point, the President should begin to own some level of responsibility.

And frankly- if things were so much worse than they thought when he took office- he fails miserably for putting together such a pathetic group of advisors.

I voted for the man and I am sick and tired of him constantly placing blame when he continues to spend at even more reckless rates.

C'mon Mr. President. Nut up and run the country. Quit trying to protect your backside.

Posted by SCNTEXAS | Report as abusive

Feb 2, 2010 10:35 am EST

It is important to remind these born-again republican hawk of their shoddy past. And, rather than playing the blame game which they have done perfectly well since last year, get to work to solve problems.

Osama Bin Laden was in Tora Bora when we went to Iraq, and became bogged down in nation building. At the same time, Iran became a real pain in the absence of her adversary.

For six years, the republican had both the white house and congress, left us with huge economic and moral deficit, and expected solution over nite. I trust these republican folks shall wake up from their ammnesia.

Posted by 0okm9ijn | Report as abusive

Feb 2, 2010 11:04 am EST

Both Republicans and Democrats (and Independents, too) — in and out of Congress — are to blame. Our free-spending, borrow-to-the-hilt, put-it-off-til-tomorrow culture must be changed. It's time for Obama to stop pointing his finger and take a lesson from Pogo: "We have met the enemy and he is us."

Posted by dglinnehan | Report as abusive

Feb 2, 2010 11:20 am EST

Actually, I'm surprised that Mr. Mason either didn't know or didn't bother to explain how the "\$1.3 trillion" deficit is a bogus number. It's been in every newspaper for the last week. During 7 of Bush's 8 years in office, the deficit increased to approx. \$500B. In the last six months of his last year, the Congress (including Obama) passed, and Bush signed, the \$800B bailout package (necessitated by Democrat failures over the years as much as Republican). This \$800B was a LOAN, not an "expenditure," but the federal accounting process does not have any way to account for a loan, so this went down as "spending," artificially increasing the deficit to the mythical, and false, \$1.3 trillion figure. Now, for all you screaming that "it wasn't a loan!," guess what? \$500B has already been repaid!! That's what's called "a loan." There is little doubt the other \$300B will be repaid as well. Thus, the REAL deficit left by Bush to Obama was \$500B, not the \$1.3 trillion figure that Obama likes to use to lie to the public. Now, if I know that, and (almost) everyone else knows that, how come Obama doesn't? Well, there are 2 choices: (1) he

does know that, but he's a liar, or (2) he doesn't know this and he's ignorant. Ignorant or a liar, either way he's in over his head.

Posted by TheOracle | Report as abusive

Feb 2, 2010 12:34 pm EST

Civics 101 – Congress is constitutionally responsible for the budget, sloppy short-hand blaming the President notwithstanding. Thus the Republicans had principal responsibility for the "surplus" as well as the early return to (on average) \$100M deficits. The Pelosi/Reid Congress is accountable for irresponsibly tripling that since 2007. Even using the sloppy short-hand tagging the President, Congress purposely and in an unprecedented manner delayed the FY09 budget post-election until Feb 09, giving the signature authority to Pres Obama, not Pres Bush. Claims of "inheriting" all his problems are increasingly devoid of factual substantiation and reflect very poor maturity and character.

Posted by TDeloney | Report as abusive

Feb 2, 2010 12:43 pm EST

I think the story pretty much sums it up. There was 200 billion dollar surplus when the GOP took office. When they left there was a 1.3 trillion dollar deficit. This is old news but the cable media has selective amnesia and likes to continue to push the agenda that best fits the owners. They want their tax cuts for the wealthy back. And just somehow the American people are stupid enough to be convinced a again and again that is the best course for our country. I can't really blame the GOP so much as the ignorance of the citizens of this country.

Posted by Natheya | Report as abusive

Feb 2, 2010 12:50 pm EST

Obama inheriting a huge deficit from Bush, blah blah blah. Amazingly, a lot of people still swallow this nonsense.

Budgets do not come from the White House. They come from Congress, and the party that controlled Congress since January 2007 is the Democratic Party. They controlled the budget process for FY 2008 and FY 2009, as well as FY 2010 and FY 2011. In that first year, they had to contend with George Bush, which caused them to compromise on spending, when Bush somewhat belatedly got tough on spending increases. For FY 2009, though, Pelosi and Reid bypassed George Bush entirely, passing continuing resolutions to keep government running until Obama could take office. At that time, they passed a ma\$\$ive omnibus spending bill to complete the FY 2009 budgets.

And where was Obama during this time? He was a member of that very Congress that passed all of these massive spending bills, and he signed the omnibus bill as President to complete FY 2009.

If the Democrats inherited any deficit, it was the FY 2007 deficit, the last of the Republican budgets. That deficit was the lowest in five years, and the fourth straight decline in deficit spending. After that, Democrats in Congress took control of spending, and that includes Barack Obama, who voted for the budgets. If Obama inherited anything, he inherited it from himself.

In a nutshell, what Obama is saying is, I inherited a deficit that I voted for and then I voted to expand that deficit four-fold since January 20th.

Posted by johnboy46 | Report as abusive

Feb 2, 2010 1:54 pm EST

The trajectory of the deficit growth needs to be "parsed" out and examined. For instance what was the deficit as Sentator Obama sered in the Senate? What were Senator Obama's votes relevant to the deficit and fiscal issues? What were Senator Obama's efforts in the Senate to curb the deficit? What were Senator Obama's votes pertaining to stimulus bills? What has the change in the deficit been since President Obama began his office? How have his policies afffected the trajectory of the deficit?

Posted by thinkcarefully | Report as abusive

Feb 2, 2010 3:31 pm EST

1. How in the heck can you run up \$1.3 trillion debt in one year, it didn't happen; so logic tell you that Obama have a beef with being blamed for the deficit.

2. Why in the heck did we go after Hussian in Iraq instead of Bin Lidan in Afganistan (or were ever he was durning this time), this may have saved many lifes also. At least Bush Sr. got his revenge.

3. Why did Limbaugh blast Clinton during the years of Bush Jr. and lost track of what Bush was doing.

4. The TARP was Paulson's way to get his Bank Buddies a long-term free loan, now Obama has to make them pay the money back now. If it was left up to them, they would take 20 years to pay back. I fault Obama for giving out the other half of TARP, he should of cut off the spicit.

Posted by uc8tcme | Report as abusive

Feb 2, 2010 5:07 pm EST

American politics is such a charade. Something always goes wrong every time the Party of Good Intentions gets a turn at bat. Whether it's been madman Eagleton as McGovern's running mate, or Mondale dragging Carter down (and later opposing Obama), or Lieberman backstabbing, or Joe Biden dropping the ball when he should have nailed Clarence Thomas for perjury and ever since, or Pelosi cossetting the kneeling Paulson when a good square kick in the teeth would have been the correct response... And the other side eats up the Democrats' pork leftovers with a spoon every time.

The question is, what is that something that always arises to snatch defeat from the jaws of victory? Whatever it is, the mainstream Democrats have it in spades. They couldn't be more complicit in the defeat of principle if they tried.

The Democrats were handed a landslide three years ago to do exactly three things: Stop the War, Prosecute those who lied us into it and fleeced the economy to their personal gain under the imperial guise of military competence, and to Impeach Bush... not one of which they had it in them to deliver. Oh, they didn't have a supermajority? Dearie me. So what did they do with it when they did have one? Yeah, nothing worth doing. Precisely, nothing.

War funding is up. The prospect of decent healthcare is in bureaucratic ruins. The economy's shot to hell and reduced to a series of fake growth predictions filling in the time between commercials for erectile dysfunction on Fox News. The (blatantly) guilty are still nowhere close to the jail in which they belong. Bush's war crimes become Obama's and so on... That's not good.

It doesn't take two minutes to figure out that Bush was rolling snake eyes with the economy. The gargantuan suck and siphonage of paramilitary trillions post-911 alongside an unsubtle shift into top-gear casino capitalism choking taxpayers and honest industry alike, all the while – how was this ever supposed to go well? It probably wasn't. It just wasn't supposed to make serious mainstream headlines. Nobody was supposed to get caught. Obama either knew this, and deliberately reneged on popular legislative items, or he completely lost his bearings for too long, catering to the Wrong Crowd.

The time to make this announcement was minutes after winning the election. It's serious enough of a topic that Paulson, Geithner and Bernanke (along with any other GS moles) should've been out on their ears a year ago, golden parachute be damned. There's no honest shop to be run with them around and they still need to go, pronto.

Instead, apparently, Pelosi Democrats – those agents of planned mediocrity – are still having polls to see whether the fox ought to remain in the henhouse, what sauce to put on the American fried chicken, etc.

Really... It's been said that American politics is like theatre, drama for the sake of drama. Choreographically speaking, Obama's timing is off by at least a year. It should not take that long to tell the obvious truth. He's got a lot of fast-forwarding to do - right now - if he seriously means to stay in business, or even on-stage.

Hmm. Maybe the bipartisan fix is, he wasn't supposed to.

Posted by HBC | Report as abusive

Feb 2, 2010 9:03 pm EST

Term limits on Congress and Senate seats would help, and so would trashing all that redistricting that was done, because then Congressmen and Senators would be easier to hire and fire on election day. But I'm not sure the voters can do much since the Supreme Court changed the rules. So we're left for the President, the House and Senate to do what they need to do on the honor system, and so far, I'm having trouble finding honor in American politics.

Posted by zenhairdresser | Report as abusive

Feb 2, 2010 1:02 am EST

Surely, if one wishes to be taken seriously as POTUS, one ought not require a whole year to start stating the obvious. Bad enough letting the obvious culprits roam free, it's the prospect that many of them still have White House jobs...

And in this troubled economy, that's simply not OK.

Posted by HBC | Report as abusive

May 11, 2010 11:09 am EDT

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And where was BO during this time? He was a member of that very Congress that passed all of these massive spending bills, and he signed the omnibus bill as President to complete FY 2009. You know, the one FULL of earmarks that he 'pledged' would NEVER happen when he became Prez:

'00 - +236.2 billion '01 - +100 billion '02 - -100 '03 - -370 '04 - -400 '05 - -300 '06 - -240 '07 - -160 '08 - -415 '09 - - 1.4 TRILLION (biggest since 1945)

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AND lets be clear about Clinton – and his 'alledged' surplus: The Clinton administration reported a surplus of \$559 billion in its final four budget years. The audited numbers showed a deficit of \$484 billion.

.. thats a HUGE difference.

Posted by MIAB | Report as abusive

http://blogs.reuters.com/frontrow/2010/02/01/obama-reminds-americans-he-inherited-the-high-deficit-from-republicans/