



Message of the Week

April 29-May 5, 2002

Presented by Rep. Mike Pence (R-IN)

“Americans are not under-taxed. Their government over-spends.”

- Federal spending will increase by **22 percent** from 1999 to 2003 in inflation-adjusted dollars.
- The President's fiscal year 2003 budget proposals, combined with spending approved in the first year of his administration and the last two years of the Clinton administration, dwarf the spending increase from any four-year period since President Lyndon Johnson fought the Vietnam War while launching a war on poverty.
- Spending on annually funded programs, in inflation-adjusted dollars, rose about 9 percent in the last two years of the Clinton administration and is scheduled to grow nearly 15 percent in the first two years of the Bush administration.
- Federal spending, minus interest costs on the debt, will have grown by nearly 2 percentage points of the overall U.S. economy from 1999 to 2003 -- from 16.6 percent to 18.5 percent.
- On March 21, 2002, the President requested a \$27.1 billion supplemental spending bill. To put that amount in context, \$27.1 billion is greater than the regular appropriations for each of the following departments: Agriculture, Energy, Interior, Justice, Veterans' Affairs, and NASA.
- Between 1942 and 1944, President Franklin D. Roosevelt cut non-war spending by 20% to help pay for World War II. At the start of the Korean War, another Democrat, President Harry S. Truman reduced non-military spending by 28%. In other words, both Roosevelt and Truman offset increased wartime spending with reduction in non-defense spending.
- As is evident in the Bush economic recovery, tax-cuts help the economy grow. Fiscal discipline will sustain the Bush recovery and eliminate the need for tax hikes in the future.