



The Key Missing Ingredient In Biden's \$6 Trillion Budget Is Honesty

Description

USA: How big is Biden's \$6 trillion budget and what are the admitted implications?

That seemingly simple question is the subject of a scathing attack on Biden by the Washington Post.

WaPo Columnist Marc A. Thiessen says Biden's Budget is a Lie.

Q: How big a lie?

A: Another \$5.8 trillion.

Thiessen calculates that by adding up all of Biden's campaign promises and items in the budget that are not reasonable estimates.

Missing in Action

- Biden's plan to create a "public option" for health care and lower the age at which Americans can receive Medicare, is nowhere to be. According to Manhattan Institute budget expert Brian Riedl, Biden's missing health proposals will cost \$1.45 trillion.
- Biden's plan to expand Social Security and Supplemental Security Income (SSI), as well as much of the K-12 spending and higher education spending that he promised are also missing.
- Biden's budget assumes the child tax credit expansion in his American Family Plan and long-term care for seniors — will expire before his 10-year budget window closes. Yeah right.

What About Tax Pledges?

The budget assumes that the Trump tax cuts for low- and middle-income Americans will expire as scheduled in 2025. That's a hike according to Thiessen

My take is that if it's not in the budget then it's not in the budget.

However, lies are still lies. I will let others debate how much is in the budget unaccounted for vs. lies that never made it to the budget.

Secular Stagnation

The Wall Street Journal also has an interesting take on Biden's budget.

One critique of President Biden's historic spending blowout is that it steals economic growth from the future in return for a temporary surge in the next two years. Imagine our surprise to see the White House confirm this criticism in its own budget proposal.

The White House predicts a two-year growth boom of 5.2% in 2021 and 4.3% in 2022, as the country returns to normal after the pandemic and record amounts of government spending flood the economy to goose consumer demand.

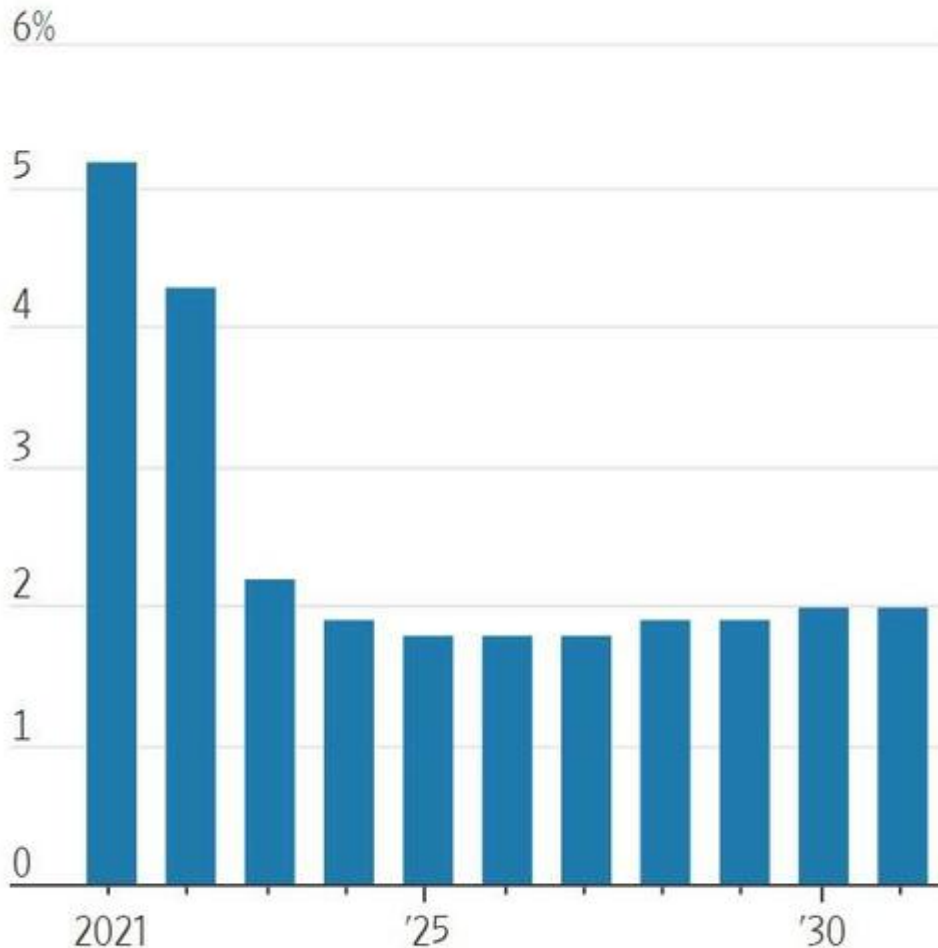
But the White House says growth will sink to 2.2% in 2023, and then average below 1.9% for the next eight years.

The White House economic analysis boils down to an assertion that slow growth is inevitable. Some on the left are even praising the Biden White House for the "honesty" of its slow-growth forecasts.

To put it bluntly, this is a budget that is anticipating America's economic and political decline. The question is whether the American people will settle for it.

White House Projections

White House projection for annual real GDP growth, 2021-2031



Source: President Biden's 2022 budget proposal,
Office of Management and Budget

That's nine years without a recession. Anyone believe that?

Yellen's and Biden's assumptions are the same as every politicians', this debt will pay for itself.

In practice, it never does and Biden's budget won't pay for itself either.

From top to bottom it's all a pack of lies, same as always. Presidents come and go and the lies persist.

Nothing has changed except Biden's budget lies are so big that even WaPo feels obliged to point them out.

Thiessen concluded: ***“From spending to taxes, Biden’s budget is a lie. He plans to tax you more and spend far more of your money than even his record-breaking budget plan admits.”***

By Tyler Durden

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