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In Case You Missed It

AP Fact Check: Obama ledger out of balance

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WASHINGTON — The ledger did not appear to be adding up Tuesday night when President Barack Obama urged more spending on one hand and a spending freeze on the other. Obama spoke ambitiously of putting money into roads, research, education, efficient cars, high-speed rail and other initiatives in his State of the Union speech.

He pointed to the transportation and construction projects of the last two years and proposed "we redouble these efforts." He coupled this with a call to "freeze annual domestic spending for the next five years."

But Obama offered far more examples of where he would spend than where he would cut, and some of the areas he identified for savings are not certain to yield much if anything.

For example, he said he wants to eliminate "billions in taxpayer dollars we currently give to oil companies." Yet he made a similar proposal last year that went nowhere. He sought \$36.5 billion in tax increases on oil and gas companies over the next decade, but Congress largely ignored the request, even though Democrats were then in charge of both houses of Congress.

A look at some of Obama's statements Tuesday night and how they compare with the facts:

OBAMA: Tackling the deficit "means further reducing health care costs, including programs like Medicare and Medicaid, which are the single biggest contributor to our long-term deficit. Health insurance reform will slow these rising costs, which is part of why nonpartisan economists have said that repealing the health care law would add a quarter of a trillion dollars to our deficit."

THE FACTS: The idea that Obama's health care law saves money for the government is based on assumptions that are arguable, at best.

To be sure, the nonpartisan Congressional Budget Office has estimated the law will slightly reduce red ink over 10 years. But the office's analysis assumes that steep cuts in Medicare spending, as called for in the law, will actually take place. Others in the government have concluded it is unrealistic to expect such savings from Medicare.

In recent years, for example, Congress has repeatedly overridden a law that would save the treasury billions by cutting deeply into Medicare pay for doctors. Just last month, the government once again put off the scheduled cuts for another year, at a cost of \$19 billion. That money is being taken out of the health care overhaul. Congress has shown itself sensitive to pressure from seniors and their doctors, and there's little reason to think that will change.

OBAMA: Vowed to veto any bills sent to him that include "earmarks," pet spending provisions pushed by individual lawmakers. "Both parties in Congress should know this: If a bill comes to my desk with earmarks inside, I will veto it."

THE FACTS: House Speaker John Boehner, R-Ohio, has promised that no bill with earmarks will be sent to Obama in the first place. Republicans have taken the lead in battling earmarks while Obama signed plenty of earmark-laden spending bills when Democrats controlled both houses.

It's a turnabout for the president; in early 2009, Obama sounded like an apologist for the practice: "Done right, earmarks have given legislators the opportunity to direct federal money to worthy projects that benefit people in their districts, and that's why I've opposed their outright elimination," he said then.

OBAMA: "I'm willing to look at other ideas to bring down costs, including one that Republicans suggested last year: medical malpractice reform to rein in frivolous lawsuits."

THE FACTS: Republicans may be forgiven if this offer makes them feel like Charlie Brown running up to kick the football, only to have it pulled away, again.

Obama has expressed openness before to this prominent Republican proposal, but it has not come to much. It was one of several GOP ideas that were dropped or diminished in the health care law after Obama endorsed them in a televised bipartisan meeting at the height of the debate.

Republicans want federal action to limit jury awards in medical malpractice cases; what Obama appears to be offering, by supporting state efforts, falls short of that. The president has said he agrees that fear of being sued leads to unnecessary tests and procedures that drive up health care costs. So far the administration has only wanted to study the issue.

Trial lawyers, major political donors to Democratic candidates, are strongly opposed to caps on jury awards. But the administration has been reluctant to support other approaches, such as the creation of specialized courts where expert judges, not juries, would decide malpractice cases.

OBAMA: As testament to the fruits of his administration's diplomatic efforts to control the spread of nuclear weapons, he said the Iranian government "faces tougher and tighter sanctions than ever before."

THE FACTS: That is true, and it reflects Obama's promise one year ago that Iran would face "growing consequences" if it failed to heed international demands to constrain its nuclear program. But what Obama didn't say was that U.S. diplomacy has failed to persuade Tehran to negotiate over U.N. demands that it take steps to prove it is not on the path toward a bomb. Preliminary talks with Iran earlier this month broke off after the Iranians demanded U.S. sanctions be lifted.

Associated Press writers Ricardo Alonso-Zaldivar, Jim Drinkard, Andrew Taylor, Stephen Ohlemacher and Robert Burns contributed to this report.

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