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CRFB Reacts to the President's Proposed Budget Cuts May 7, 2009

Today, the Obama administration released the "Terminations, Reductions and Savings" part of its FY2010 budget. This release shows that the President intends to cut or reduce 121 programs for a total savings of around \$17 billion in FY2010.

The Committee for a Responsible Federal Budget (CRFB) welcomes the President's effort to find savings and improve the efficiency of government, and encourages President Obama to go further in addressing long-term spending growth.

"The President followed through on his pledge to go through the budget line-by-line, but I worry that it isn't enough," said Marc Goldwein, Policy Director of the Committee for a Responsible Federal Budget. "If history is any indication, President Obama is unlikely to achieve a lot of these cuts. And even if he got the whole \$17 billion, it would still only represent one half of one percent of the budget, and a very small part of the deficit."

Among the larger cuts in the budget, Obama has proposed major cuts or reductions for several Department of Defense programs like the Future Combat Systems, the F-22 Raptor, and the VH-71 Presidential Helicopter. Over a dozen of the cuts that Obama has proposed, such as the elimination of the State Criminal Alien Assistance Program, had been proposed by the previous administration without success.

"Each of these programs has its own supporters - to achieve these savings the President is going to have to stand up to them and show real follow through," Goldwein said. "More importantly, President Obama should be addressing tax and entitlement reform - that's where the real money is."

In addition to the section on terminations, reductions, and savings, today's release includes an appendix detailing agency spending under the President's budget. Next week, the administration intends to release the rest of the President's FY2010 budget proposal: "Analytical Perspectives," the budget historical tables, and a revised and updated set of summary tables. Following next week's release of the remaining budget documents, CRFB will release its own detailed analysis.