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**President Endorses “Go Big”, But More Is Needed
September 19, 2011**

Today, President Obama offered recommendations to the Super Committee, which is charged with finding \$1.5 trillion in savings over the decade. By the White House’s account, the proposal would save a total of about \$4.4 trillion, including savings enacted under the Budget Control Act. Relative to our CRFB Realistic Baseline, we estimate it would save closer to \$1.5 to \$2 trillion. According to Administration estimates, the plan would stabilize debt levels at about 73 percent of GDP by 2021. Under current law, debt would reach 66 percent by 2021 before counting savings from the Super Committee.

Included in the Administration’s plan are \$1.5 trillion in new revenue and \$580 billion in mandatory savings – including \$320 billion from federal health savings, but nothing from Social Security. The plan also counts \$1.2 trillion in discretionary savings from the Budget Control Act, as well as \$1.1 trillion from a war drawdown which is already in place. The remaining \$430 billion in deficit reduction comes from interest savings.

“The President deserves credit for offering specific deficit reduction policies and for calling on the Super Committee to exceed its \$1.5 trillion savings target,” said Maya MacGuineas, president of the Committee for a Responsible Federal Budget. “We believe the Super Committee should ‘go big’ and exceed its mandate and actually stabilize the debt. We appreciate the President’s proposal to ‘go medium’ and that he has laid out real specifics, but clearly, much more will be needed.”

“While the President has proposed a number of sensible policies, all worthy of consideration, his plan does not address the drivers of our debt since it offers no solutions for making Social Security financially sound and does far too little to control rising health care costs,” said MacGuineas. “We are pleased that the President has embraced the goal of achieving at least \$4 trillion in deficit reduction and stabilizing the debt. Unfortunately, he relies on the budget gimmick of counting the war drawdown to inflate his savings and would leave the debt at an unacceptably high level.”

“There is a growing chorus of lawmakers, business leaders, former government officials, and experts urging the Super Committee to ‘go big’ and exceed its mandate. If we want to fully address our debt problems, the Super Committee will have to exceed its mandate and go well beyond the proposals the President has called for.”