

# “STIMULATING” THE WRONG DEBATE

## What Is This Debt Plan Really About?

### Shell Game

- **This Isn't Just About Pork:** President Obama, Speaker Pelosi and Majority Leader Reid want you to believe this debate is about minor “pet projects” making up less than 1% of the bill and tax cuts. That is only part of the debate.
- **It Is Partly About Pork:** Over \$11 billion in pork can easily be identified, like the \$2.2 billion towards community groups like ACORN, plus over \$200 billion in state and local money that will benefit “pet projects” – and that is just for starters.
- **It Is Partly About Taxes:** Pro-growth tax cuts are the real way to increase wages, business incomes and the family checking account, not giving money to people who do not pay taxes in the first place.
- **It Is Partly About Doubling the Size of Government:** In the current plan, the Departments of Education and Energy will double in size and scope.

### Government Controlled Health Care

- **It Is About a Radical Health Care Agenda:** Inside this massive “stimulus” bill are profoundly controversial and far-reaching health care provisions that would set the country on a path toward more fiscal irresponsibility, unfunded entitlement liabilities and less control by families over their personal health care decisions.
- **It Isn't About Affordable Health Care Choices for the Unemployed:** The bill would only give help to those unemployed workers that choose the most costly coverage. The House bill goes further by opening the Medicaid program to these workers. The same poor performing program that states are asking taxpayers to bail them out from.
- **It Is About Centralizing Health Care Decisions in Washington:** Combining the comparative effective research with health IT provisions opens the door to direct government interference in the doctor-patient relationship, undermining personal control over health care decisions. Just like Britain and other socialist systems.

### Fiscally Irresponsible States

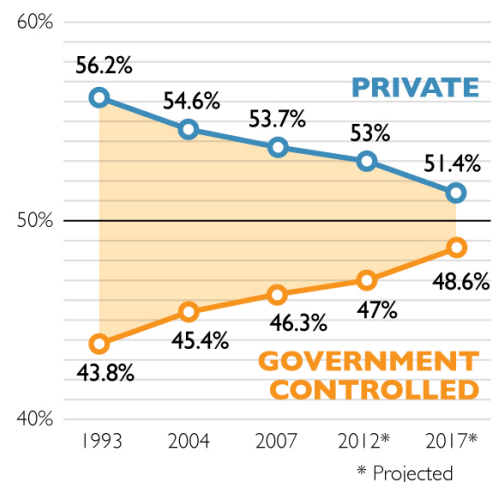
- **It Is Robbing Peter to Pay Paul:** Calling the state and local money “stimulus” is a misnomer since hiking federal debt to keep state taxes low is like running up your Visa card to keep the MasterCard balance from rising. Either way, you will pay. All that changes is where you send your payment.
- **It Is the Federal ATM:** In 2003, states demanded and received a \$30 billion bailout. States went right back to spending, with budget hikes averaging 7.2% over the next four years. Now they are back to withdraw more.
- **It Is Not Playing by the Rules:** The biggest losers from a federal bailout are taxpayers who live in fiscally responsible states. They resisted extravagant new spending programs – and will be rewarded with a soaring federal debt to bail out the states that went on unaffordable spending sprees.
- **It Is 1,000 Bridges to Nowhere:** Mayors have pledged to spend stimulus funds on items such as a polar bear exhibit in Rhode Island or to curb prostitution in Ohio, but these special projects are not even disclosed in the bill, so taxpayers have no idea where their money is really going.

### Twice the Jobs at Half the Price

Check out Heritage ideas for how to provide twice the jobs at half the price at [heritage.org](http://heritage.org).

### Pushing health care to a tipping point

Proportions of total funds spent on personal health



Source: Centers for Medicare and Medicaid Services, Office of the Actuary 2008.