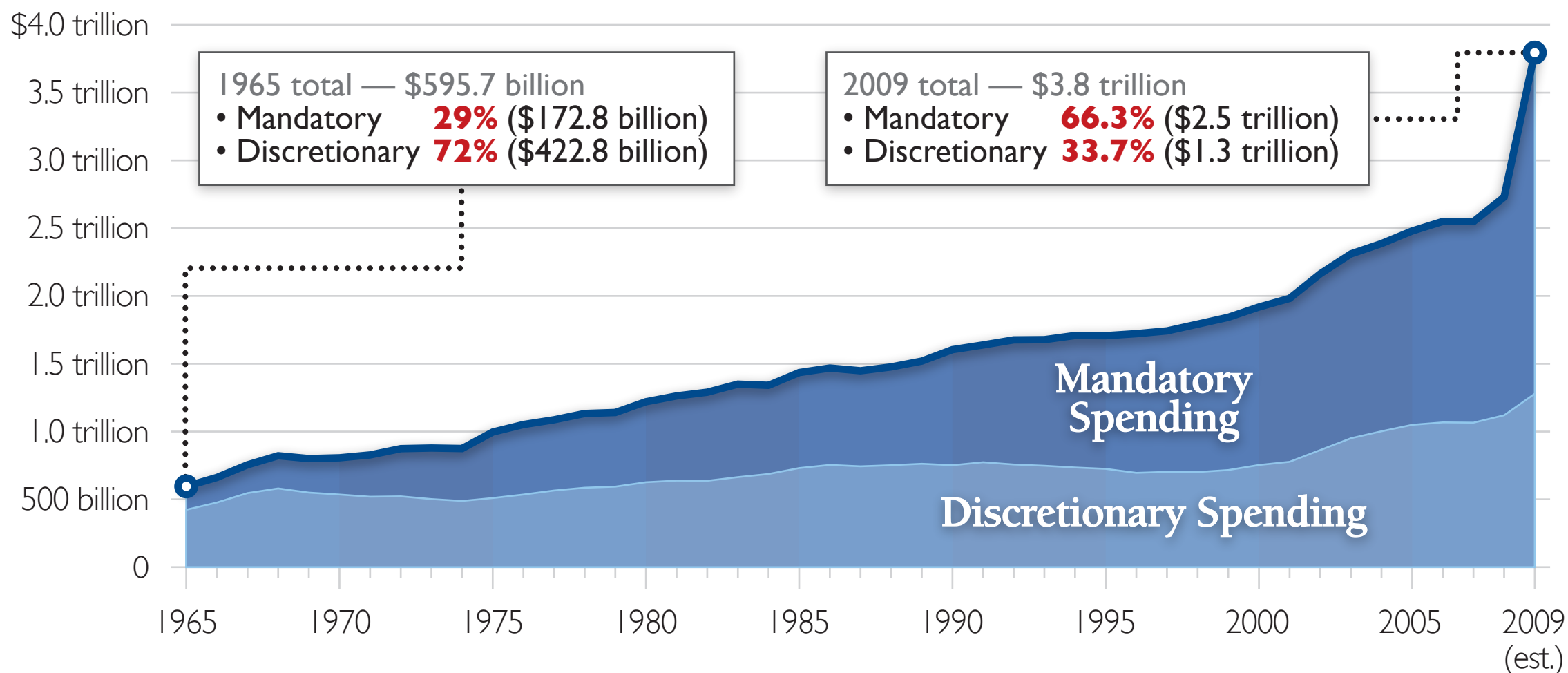


Mandatory Spending Has Increased Five Times Faster Than Discretionary Spending

Discretionary spending, the portion of the budget subject to annual review or budget debate, increased 203 percent from 1965 to 2009. Mandatory spending, consisting mostly of Social Security, Medicare, and Medicaid, which run on autopilot, rose 832 percent from 1965 to 2008. In 2009, spending from the Troubled Asset Relief Program (TARP) and President Obama's \$250 billion placeholder for additional stabilization efforts will increase mandatory spending over 50 percent.

Total Discretionary Spending vs. Mandatory Spending in Inflation-Adjusted Dollars (2008)



Source: White House Office of Management and Budget.