NATIONAL CENTER FOR POLICY ANALYSIS

Budget Wars: The President versus the House versus the Senate[1]

Policy Backgrounder No. 168 by Peter Ferrara May 2013

After four years without a federal budget, the House of Representatives and the Senate have passed different budget plans. The House plan sponsored by Budget Committee Chairman Paul Ryan (R-Wis.) and the Senate plan sponsored by Budget Committee Chairwoman Patty Murray (D-Wash.) must be reconciled if the federal government is to adopt a budget.

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The two proposals diverge on tax policy and overall spending levels. They also differ in their approach to the growing problem of government spending on health care.

President Barack Obama released his proposed budget 10 weeks later than the law requires, and after the House and Senate passed their budget resolutions.[2]

Effect of the Budget Plans on Spending, Deficits and Debt

From 1948 to 2008, federal spending hovered near 20 percent of Gross Domestic Product (GDP), and federal taxes hovered around 18 percent of GDP. Notably, the federal government today is nearly 20 percent larger, relative to the economy, than it was during the prosperous 60 years following World War II.

House Spending Cuts. The House budget would return the level of federal taxing and spending as a percentage of economic output to near its long-term, postwar average.[3] It achieves balance by splitting the difference, setting both federal taxes and spending at 19.1 percent of GDP after 10 years. According to the Congressional Budget Office (CBO):[4]

- The House budget would reduce federal spending below so-called baseline spending increases by cutting $5.7 trillion over the next 10 years.
- Even with the reductions, federal spending would increase an average of 3.4 percent per year; however, due to the slower spending growth, there would be an 18 percent fall in the size of the federal government relative to GDP.
- As a result, the House proposal would balance the federal budget after 10 years with no further tax increases.

Senate Spending Increases. The Senate budget claims to achieve $975 billion in spending cuts over the next 10 years. The alleged spending cuts include savings over the next 10 years from ending the wars in Iraq and Afghanistan, though no one planned to spend as much in 2023 fighting those wars as during the height of the conflicts. The claimed spending cuts in the Senate budget plan also include "$275 billion in savings by further

realigning incentives throughout the system, cutting waste and fraud, and seeking greater engagement across the health care system."[5]

In fact, the Senate budget involves no net cuts in nondefense spending compared to baseline spending increases. The Senate even proposes to cancel the domestic sequester spending cuts occurring in 2013, though the sequester will cut only 1 percent of projected government spending this year, and, even with the cuts, federal spending will increase. The Senate wants to replace the sequester spending cuts with a $480 billion tax increase, and to further raise the spending caps agreed to in 2011.

The Senate proposes spending an additional $100 billion on infrastructure projects to stimulate the economy — even though the nearly $1 trillion in the 2009 stimulus bill failed to stimulate anything, except federal spending, deficits, and debt.

Thus, compared to this year [see Figure I]:[6]

- By 2023, the Senate budget would grow federal spending more than $2.1 trillion — $733 billion more than the House proposal.
- Under the Senate budget, total spending would reach $5.7 trillion in 2023, the highest government spending in one year in world history — almost double President Bush's $2.983 trillion spending in 2008.
- Over the next 10 years, the Senate proposes to spend a total of $46.4 trillion, increasing spending over 10 years by $10.4 trillion from current projections.

The President's Spending Increases. Unlike the House budget plan, President Obama's budget did not propose any net spending cuts. Thus:

- In 2014 alone, President Obama's budget would add $160 billion to the projected growth of federal spending, even increasing spending in the current 2013 fiscal year by an additional $61 billion.
- Over the next 10 years, President Obama's budget adds nearly $1 trillion to the projected baseline growth in spending.
- By 2023, the president's and the Senate's budget would increase annual spending by $2.1 trillion more than 2012.

Like the Senate proposal, President Obama's budget would cancel the sequester spending cuts. Over the next 10 years, his budget would spend $46.5 trillion overall, even more than the Senate.

The President's Tax Hikes. President Obama's budget proposes $1.1 trillion in tax increases, on top of the $1 trillion taking effect this year under ObamaCare, and the $600 billion in tax increases due to the expiration of the Bush tax cuts in January 2013. Obama's proposed tax hikes include doubling the federal cigarette tax — violating his campaign pledge not to increase taxes "in any form" on singles making less than $200,000 and couples making less than $250,000. The tax hikes also include the so-called "Buffett tax," which would double the top capital gains tax rate since Obama entered office and impose the fourth-highest capital gains tax rate in the world.

Federal Deficits. After 10 years and another $1.5 trillion of tax increases under the Senate budget plan, the federal deficit would reach $566 billion in 2023 — more than the pre-Obama record Bush deficit of $458 billion in 2008. The federal deficit would be the highest in American history — except for four straight years, so far, of Obama deficits of more than $1 trillion.

President Obama's budget projects $5.3 trillion in additional deficits over the next 10 years — almost five times the deficits in the House proposal. After 10 years, the deficit would be $439 billion — double the highest deficit under President Reagan. Thus, despite tax increases, the president's proposal would never balance the budget.

President Obama's budget claims it would reduce federal deficits by $1.8 trillion over the next 10 years. But this is calculated from an "adjusted baseline," rather than the CBO baseline. The adjustments include phantom savings over the next 10 years from supposedly ending the wars in Iraq and Afghanistan. The adjusted baseline also includes $1 trillion in spending the sequester cuts. If the impact of Obama's budget were calculated from projected current law deficits (which assume the sequester cuts will be implemented), the net deficit reduction is a negligible $119 billion over 10 years.

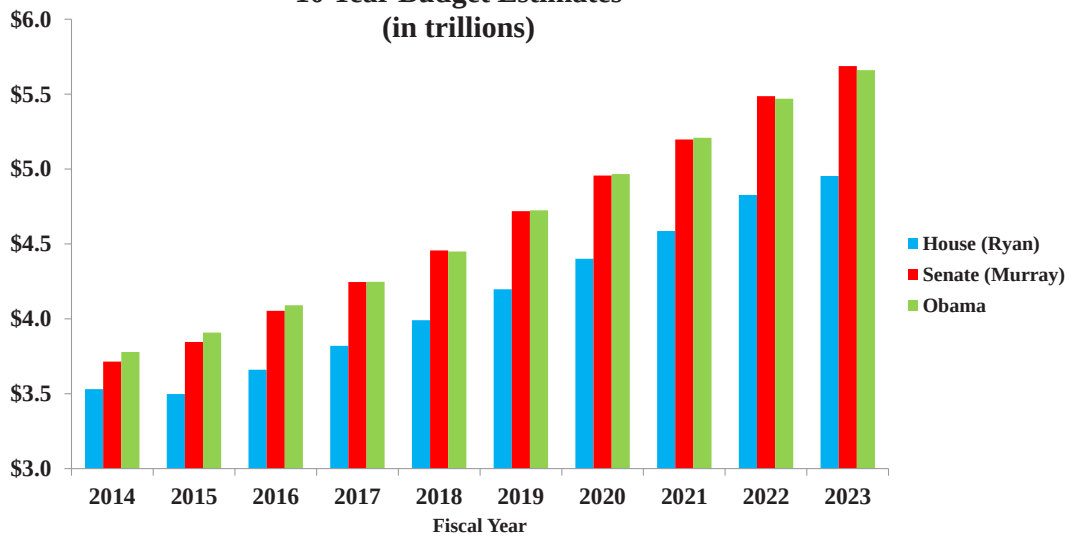
Federal Public Debt. The three proposals differ in their impact on federal debt held by the public by the end of budget period:

- The House budget reduces the public debt to a manageable 54.8 percent of GDP after 10 years.
- The Senate budget debt would still amount to 70 percent of GDP after 10 years, and would rise thereafter.
- President Obama's budget debt would leave the public debt at 73 percent of GDP after 10 years.

Thus, Obama's budget would increase federal debt held by the public $6.6 trillion over the next 10 years for a total public debt of $19 trillion. This would require another increase to the national debt limit.

Obama's budget assumes federal revenues will more than double over the next 10 years. However, Obama's tax increases would not raise federal revenues as projected. Every time the government has raised the capital gains tax rate, capital gains revenues declined rather than increased in the past 45 years. But Obama's budget assumes that doubling the capital gains tax rate from when he entered office would nearly double capital gains revenues.

Figure I
Federal Spending Comparison
10 Year Budget Estimates
(in trillions)



Sources: U.S. House Budget Committee, *The Path to Prosperity: A Blueprint for American Renewal*, available at http://budget.house.gov/uploadedfiles/pathtoprosperity2013.pdf; U.S. Senate Budget Committee, *Foundation for Growth: Restoring the Promise of American Opportunity*, available at http://budget.senate.gov/democratic/index.cfm/files/serve?File_id=c951a802-7600-4111-97c9-20bccc9c69d8; and "Fiscal Year 2014 Budget of the U.S. Government, Office of Management and Budget, available at http://www.whitehouse.gov/sites/default/files/omb/budget/fy2014/assets/budget.pdf.

Effect of the Budget Plans on Medicare

Compared to current spending, the cost of Medicare and Medicaid will double by 2023.[7] The House budget would spend the same amount on Medicare as projected under current law — that is, it assumes the same level of Medicare spending as ObamaCare.

Under the administration's health reform law — the Patient Protection and Affordable Care Act — the only way to slow the growth in Medicare spending is by reducing the fees paid to doctors, hospitals and other providers. In the 2012 Medicare Trustees report, the Office of the Actuary explained what this means. In the near future, Medicare payments to doctors will drop below Medicaid levels and fall continuously behind Medicaid and private insurer payments in the years ahead. As a result, seniors will be forced to wait behind welfare mothers when seeking health care. If it is implemented, ObamaCare plans to slash Medicare payments to providers by three-quarters of a trillion dollars over the next 10 years. The Obama budget further reduces Medicare fees by $250 billion over 19 years, raising the total Medicare cuts to roughly a trillion dollars.

In contrast, the House budget envisions giving more seniors the opportunity to enroll in Medicare Advantage plans. About one in four seniors is enrolled in these plans, and studies show that the best of them have lower costs and meet higher quality standards than traditional Medicare. The House proposal gives the plans much more flexibility and enacts better rules under which the plans compete for enrollees.

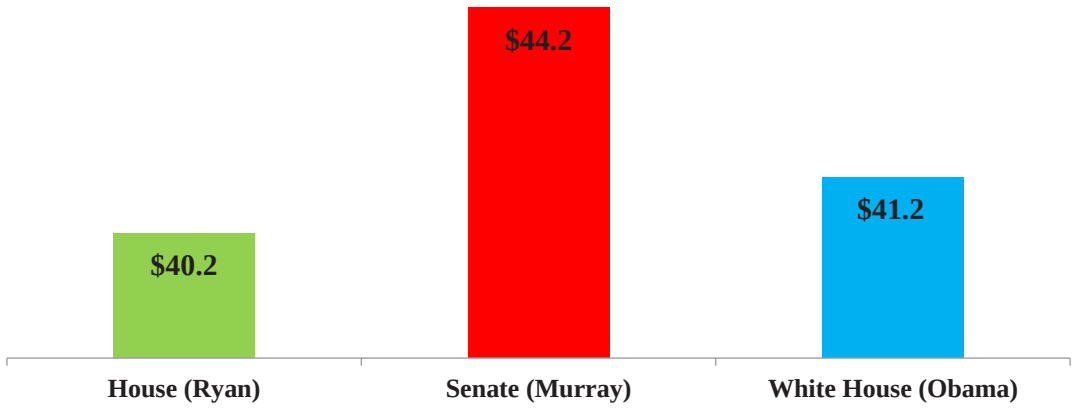
Effect of the Budget Plans on Taxes

Under current law, the CBO estimates revenues will double from $2.45 trillion in 2012 to $4.96 trillion by 2023.[8] The House budget would make exactly zero changes in these expected federal revenues. Indeed, the House budget actually ratifies the tax increases adopted January 1, 2013. These tax hikes include $1.1 trillion, supposedly for ObamaCare, and $600 billion due to the termination of the Bush tax cuts for the nation's job creators, investors, and successful small businesses — aka "the rich." The Senate budget proposes to add to this $1.5 trillion in tax increases. [See Figure II.]

Corporate Taxes. The House plan would reduce the federal corporate tax rate from 35 percent to 25 percent. The U.S. corporate income tax is especially onerous:

- Counting state corporate tax

Figure II
Federal Tax Revenue Comparison
(in trillions)



Sources: U.S. House Budget Committee, *The Path to Prosperity: A Blueprint for American Renewal*, available at http://budget.house.gov/uploadedfiles/pathtoprosperity2013.pdf; U.S. Senate Budget Committee, *Foundation for Growth: Restoring the Promise of American Opportunity*, available at http://budget.senate.gov/democratic/index.cfm/files/serve?File_id=c951a802-7600-4111-97c9-20bccc9c69d8; and "Fiscal Year 2014 Budget of the U.S. Government, Office of Management and Budget, available at http://www.whitehouse.gov/sites/default/files/omb/budget/fy2014/assets/budget.pdf.

rates, America currently suffers the highest corporate tax rates in the world (with the exception of the socialist one-party state of Cameroon), averaging nearly 40 percent.

- Even the Chinese tax corporations at a 25 percent rate.
- Corporate taxes in the predominantly socialist European Union and formerly Communist Russia average less than 25 percent.

The House tax reform is revenue neutral, meaning that it would not change revenues from current law and policies. It would close loopholes, deductions and credits for both personal and corporate income taxes. This scheme works because these are the *average* effective rates paid at these income levels. According to Harvard University economics professor and former chairman of the President's Council of Economic Advisers Martin Feldstein, there are more than enough tax loopholes that can be reduced or closed to finance the tax reform without raising taxes on middle-class or lower-income taxpayers.[9]

Income Taxes. The House budget would leave just two rates for the personal income tax: 10 percent for families making under $100,000 a year and 25 percent for families making more. This year, House Ways and Means Committee Chairman Dave Camp (R-Mich.) is expected to report out of committee a bill that is consistent with the House budget proposal.[10] Representative Camp's bill will probably include a net tax cut for the middle class, the first significant reduction since the 2001 Bush tax cuts. The rates are clearly not tilted toward "the rich":

- Currently, couples making $17,850 to $72,500 pay a marginal tax rate of 15 percent and couples making $72,500 to $146,400 pay a 25 percent rate.
- Under Camp's bill, the tax rate would fall to 10 percent for couples making less than $100,000 and to 15 percent for couples making up to $146,400.

The middle 20 percent of income earners currently pay just 2.7 percent of total federal income taxes. Thus, the Camp bill could eliminate federal income taxes on the middle class entirely. Furthermore, the lower tax rates in the Camp tax reform bill would help restore economic growth and thus substantially reduce the deficit.

Effect of the Budget Plans on Economic Growth

Neither the Senate nor President Obama follow good Keynesian economics. They assume that spending cuts would be bad for the economy, but tax increases would not; whereas Keynesian thinking holds that tax increases or spending cuts are counterproductive in a slowly growing economy. As the *Wall Street Journal* correctly observed, "[T]he folks who put a balanced budget above economic growth have their priorities upside down. The important goal is promoting fast enough growth, and enough spending restraint, that debt falls from its current heights over time."[11] According to the CBO:[12]

- Every increase in economic growth of 0.1 percent reduces the deficit by $314 billion over the next 10 years.
- Thus, increasing the 2 percent real

economic growth rate of the last two years to the 4 percent growth or more enjoyed during past recoveries would reduce deficits by more than $3 trillion over the next 10 years.

Obama's budget assumes his policies would launch a suddenly booming economy, with real GDP growth by 2016 at 3.6 percent, more than four times the average of his first term. Given that Obama's policies have included rocketing tax rates, explosive growth in government spending and unprecedented regulatory burdens, this growth is not remotely possible.

The president's budget also assumes there will not be another recession in the next 10 years, though many predict Obama's antigrowth policies will cause another recession as early as this year.[13] A recession would cause revenues to collapse, and spending, deficits and debt to rise.

The Obama and Senate budgets are also vulnerable to a long overdue rise in interest rates, as the Federal Reserve's loose monetary policy threatens to restore inflation. With the national debt approaching $20 trillion or more, sharply increasing interest rates would be extremely costly. Obama's budget assumes sustained negligible interest rates, such as 1.2 percent in 2016, and sustained minimal inflation, such as 2.2 percent in 2016, leaving real interest rates a woeful –1 percent. A booming economy would sharply raise both interest rates and prices, as capital would quickly become scarce and resources strained. Higher interest and prices would raise spending, deficits and debt sharply.

Effect of Entitlement Reform on the Budget

Though the House plan projects a balanced budget by 2023, the problem of entitlement spending will grow nevertheless. The House budget proposal presents the opportunity for genuine entitlement reforms that would reduce the growth of federal spending and balance the budget without additional tax increases.

ObamaCare Reform. Economists now project ObamaCare will cost nearly $2 trillion over the next 10 years, twice as much as the CBO projected when the Affordable Care Act was passed.[14] Furthermore, the CBO now says that almost 10 years after implementation, ObamaCare will leave 30 million individuals uninsured.[15] Market-oriented health care reforms could assure health care for all, with no coercive and counterproductive individual mandate and no job-killing employer mandate, while saving taxpayers $2 trillion over the next 10 years.[16]

Real entitlement reform would also replace federally-run ObamaCare with health care reforms that empower patients, such as Health Savings Accounts. Indeed, individuals should be encouraged to save in accounts they could carry from their working lives into retirement, in order to replace Medicare benefits.[17]

Unlike ObamaCare, such reforms could provide health care for all, without coercive individual mandates or economically counterproductive employer mandates.[18]

Medicare Reform. Real entitlement reform would also empower seniors with the freedom to choose their health coverage from alternatives offered in competitive, private markets, as the House budget proposes. Real reform would modernize Medicare Parts A and B (covering hospital charges and physician fees) by introducing competition and choice. Market competition and incentives have proven highly effective in controlling costs in Medicare Parts C and D (Advantage plans and Drugs). Competitive market alternatives must pay doctors and hospitals adequately for seniors to obtain timely and effective health care, or they will not attract any customers.

Social Security Reform. Obama's budget has been lauded in some circles for proposing changing the inflation calculation for Social Security cost of living increases. The change effectively reduces the growth in future Social Security benefits by one-fourth of one percent. Even with that adjustment, Social Security spending is projected to almost double from $768 billion in 2012 to $1.424 trillion in 2023.

Real Social Security reform would empower working people with the freedom to choose to save and invest some, and ultimately all, payroll tax payments in personal savings, investment and insurance accounts for each worker and family. Such reform would bring higher future retirement benefits earned through private real capital markets. Ultimately, as Social Security benefit payments shift from the federal budget entirely into the private sector, this country would see the greatest reduction in federal spending in world history.

Representative Ryan, for example, has proposed offering workers under age 55 the option to put more than one-third of their current Social Security taxes into a personal

retirement account that would be invested and accumulate savings over their work careers, and finance retirements benefits that partially replace Social Security.[19]

Welfare Reform. Real entitlement reform would also send federal spending on means-tested welfare programs back to the states, as was done in 1996 for Aid to Families with Dependent Children (AFDC). With sharply reversed incentives, two-thirds of those dependent on the program went to work, and their incomes increased sharply. At the same time, taxpayer costs declined 50 percent. Extending those same reforms to all federal means-tested welfare programs, which now costs $1 trillion annually, would greatly reduce both federal spending and poverty rates. These reforms would improve health care for the poor, who could make means-tested payments for market health insurance.

Endnotes

1. An earlier version of this article was published as "Paul Ryan's House Republican Budget vs. Patty Murray's Senate Democrat Budget," at Forbes.com. Available at http://www.forbes.com/sites/peterferrara/2013/03/17/paul-ryans-house-republican-budget-vs-patty-murrays-senate-democrat-budget/.

2. "Fiscal Year 2014 Budget of the U.S. Government, Office of Management and Budget. Available at http://www.whitehouse.gov/sites/default/files/omb/budget/fy2014/assets/budget.pdf.

3. U.S. House Budget Committee, *The Path to Prosperity: A Blueprint for American Renewal*, available at http://budget.house.gov/uploadedfiles/pathtoprosperity2013.pdf.; and U.S. Senate Budget Committee, *Foundation for Growth: Restoring the Promise of American Opportunity,* available at http://budget.senate.gov/democratic/index.cfm/files/serve?File_id=c951a802-7600-4111-97c9-20bccc9c69d8.

4. "The Long-Term Budgetary Impact of Paths for Federal Revenues and Spending Specified by Chairman Ryan," Congressional Budget Office, March 2012. Available at: http://cbo.gov/sites/default/files/cbofiles/attachments/03-20-Ryan_Specified_Paths_2.pdf.

5. Senate Budget Committee, *Foundation for Growth: Restoring the Promise of American Opportunity*.

6. U.S. House Budget Committee, *The Path to Prosperity: A Blueprint for American Renewal*; and U.S. Senate Budget Committee, *Foundation for Growth: Restoring the Promise of American Opportunity.*

7. Ibid.

8. "Replacing Max Baucus," *Wall Street Journal*, March 15, 2013. Available at http://online.wsj.com/article/SB10001424127887324077704578358581383037920.html.

9. Martin Feldstein, "Romney's Tax Plan Can Raise Revenue," *Wall Street Journal*, August 28, 2012. Available at http://online.wsj.com/article/SB10000872396390444327204577617421727000592.html.

10. U.S. Rep. Paul Ryan (sponsor), "H. Con. Res. 25, Concurrent Resolution Establishing the budget for the United States Government for fiscal year 2014 and setting forth appropriate budgetary levels for fiscal years 2015 through 2023," March 21, 2013. Available at http://www.gpo.gov/fdsys/pkg/BILLS-113hconres25eh/pdf/BILLS-113hconres25eh.pdf.

11. Review & Outlook, "A Ryan Reboot," *Wall Street Journal*, March 12, 2013. Available at http://online.wsj.com/article/SB10001424127887324735304578356473735270196.html.

12. "The Budget and Economic Outlook: Fiscal Years 2013 to 2023," Congressional Budget Office, February 2013. Available at https://www.cbo.gov/sites/default/files/cbofiles/attachments/43907-BudgetOutlook.pdf .

13. See, for example, Peter Ferrara, *Obama and the Crash of 2013* (New York: Encounter Books, 2011).

14. Douglas W. Elmendorf, "CBO's Analysis of the Major Health Care Legislation Enact in March 2010," Congressional Budget Office, March 30, 2011. Available at http://www.cbo.gov/sites/default/files/cbofiles/ftpdocs/121xx/doc12119/03-30-healthcarelegislation.pdf.

15. John C. Goodman and Peter Ferrara, "Health Care for All Without ObamaCare," National Center for Policy Analysis, Issue Brief No. 116, October 2012. Available at http://www.ncpa.org/pdfs/ib116.pdf.

16. Ibid.

17. John C. Goodman, "A Framework for Medicare Reform," National Center for Policy Analysis, Policy Report No. 315, September 2008. Available at http://www.ncpa.org/pdfs/st315.pdf.

18. John Goodman and Peter Ferrara, "Health Care for All without ObamaCare."

19. Paul Ryan, *Roadmap for America's Future*. Available at http://roadmap.republicans.budget.house.gov/uploadedfiles/roadmap2final2.pdf.

About the Author

Peter Ferrara is a senior fellow at the National Center for Policy Analysis, director of entitlement and budget policy at the Heartland Institute, and a senior adviser on entitlement reform and budget policy for the National Tax Limitation Foundation.

The NCPA is a nonprofit, nonpartisan organization established in 1983. Its aim is to examine public policies in areas that have a significant impact on the lives of all Americans — retirement, health care, education, taxes, the economy, the environment — and to propose innovative, market-driven solutions. The NCPA seeks to unleash the power of ideas for positive change by identifying, encouraging and aggressively marketing the best scholarly research.

Health Care Policy.

The NCPA is probably best known for developing the concept of Health Savings Accounts (HSAs), previously known as Medical Savings Accounts (MSAs). NCPA President John C. Goodman is widely acknowledged (*Wall Street Journal*, WebMD and the *National Journal*) as the "Father of HSAs." NCPA research, public education and briefings for members of Congress and the White House staff helped lead Congress to approve a pilot MSA program for small businesses and the self-employed in 1996 and to vote in 1997 to allow Medicare beneficiaries to have MSAs. In 2003, as part of Medicare reform, Congress and the President made HSAs available to all nonseniors, potentially revolutionizing the entire health care industry. HSAs now are potentially available to 250 million nonelderly Americans.

The NCPA outlined the concept of using federal tax credits to encourage private health insurance and helped formulate bipartisan proposals in both the Senate and the House. The NCPA and BlueCross BlueShield of Texas developed a plan to use money that federal, state and local governments now spend on indigent health care to help the poor purchase health insurance. The SPN Medicaid Exchange, an initiative of the NCPA for the State Policy Network, is identifying and sharing the best ideas for health care reform with researchers and policymakers in every state.

NCPA President John C. Goodman is called the "Father of HSAs" by *The Wall Street Journal*, WebMD and the *National Journal*.

Taxes & Economic Growth.

The NCPA helped shape the pro-growth approach to tax policy during the 1990s. A package of tax cuts designed by the NCPA and the U.S. Chamber of Commerce in 1991 became the core of the Contract with America in 1994. Three of the five proposals (capital gains tax cut, Roth IRA and eliminating the Social Security earnings penalty) became law. A fourth proposal — rolling back the tax on Social Security benefits — passed the House of Representatives in summer 2002. The NCPA's proposal for an across-the-board tax cut became the centerpiece of President Bush's tax cut proposals.

NCPA research demonstrates the benefits of shifting the tax burden on work and productive investment to consumption. An NCPA study by Boston University economist Laurence Kotlikoff analyzed three versions of a consumption tax: a flat tax, a value-added tax and a national sales tax. Based on this work, Dr. Goodman wrote a full-page editorial for *Forbes* ("A Kinder, Gentler Flat Tax") advocating a version of the flat tax that is both progressive and fair.

A major NCPA study, "Wealth, Inheritance and the Estate Tax," completely undermines the claim by proponents of the estate tax that it prevents the concentration of wealth in the hands of financial dynasties. Senate Majority Leader Bill Frist (R-TN) and Senator Jon Kyl (R-AZ) distributed a letter to their colleagues about the study. The NCPA recently won the Templeton Freedom Award for its study and report on Free Market Solutions. The report outlines an approach called Enterprise Programs that creates job opportunities for those who face the greatest challenges to employment.

Retirement Reform.

With a grant from the NCPA, economists at Texas A&M University developed a model to evaluate the future of Social Security and Medicare, working under the direction of Thomas R. Saving, who for years was one of two private-sector trustees of Social Security and Medicare.

The NCPA study, "Ten Steps to Baby Boomer Retirement," shows that as 77 million baby boomers begin to retire, the nation's institutions are totally unprepared. Promises made under Social Security, Medicare and Medicaid are inadequately funded. State and local institutions are not doing better — millions of government workers are discovering that their pensions are under-funded and local governments are retrenching on post-retirement health care promises.

Pension Reform.

Pension reforms signed into law include ideas to improve 401(k)s developed and proposed by the NCPA and the Brookings Institution. Among the NCPA/Brookings 401(k) reforms are automatic enrollment of employees into companies' 401(k) plans, automatic contribution rate increases so that workers' contributions grow with their wages, and better default investment options for workers who do not make an investment choice.

The NCPA's online Social Security calculator allows visitors to discover their expected taxes and benefits and how much they would have accumulated had their taxes been invested privately.

Environment & Energy.

The NCPA's E-Team is one of the largest collections of energy and environmental policy experts and scientists who believe that sound science, economic prosperity and protecting the environment are compatible. The team seeks to correct misinformation and promote sensible solutions to energy and environment problems. A pathbreaking 2001 NCPA study showed that the costs of the Kyoto agreement to reduce carbon emissions in developed countries would far exceed any benefits.

Educating the next generation.

The NCPA's Debate Central is the most comprehensive online site for free information for 400,000 U.S. high school debaters. In 2006, the site drew more than one million hits per month. Debate Central received the prestigious Templeton Freedom Prize for Student Outreach.

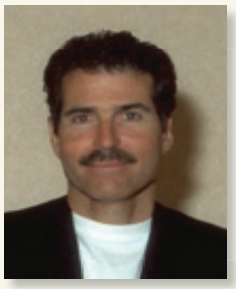
Promoting Ideas.

NCPA studies, ideas and experts are quoted frequently in news stories nationwide. Columns written by NCPA scholars appear regularly in national publications such as the *Wall Street Journal*, the *Washington Times*, *USA Today* and many other major-market daily newspapers, as well as on radio talk shows, on television public affairs programs, and in public policy newsletters. According to media figures from Burrelle's, more than 900,000 people daily read or hear about NCPA ideas and activities somewhere in the United States.

What Others Say About the NCPA

"The NCPA generates more analysis per dollar than any think tank in the country. It does an amazingly good job of going out and finding the right things and talking about them in intelligent ways."

Newt Gingrich, former Speaker of the U.S. House of Representatives



"We know what works. It's what the NCPA talks about: limited government, economic freedom; things like Health Savings Accounts. These things work, allowing people choices. We've seen how this created America."

John Stossel,
former co-anchor ABC-TV's *20/20*

"I don't know of any organization in America that produces better ideas with less money than the NCPA."

Phil Gramm,
former U.S. Senator

"Thank you . . . for advocating such radical causes as balanced budgets, limited government and tax reform, and to be able to try and bring power back to the people."

Tommy Thompson,
former Secretary of Health and Human Services

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