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Happy (Fiscal) New Year: Recalling FY 2009 by the Numbers September 30, 2009

Today, fiscal year 2009 (FY 2009) will come to a close. In light of the economic crisis and subsequent government actions, FY 2009 has been one of the strangest and most unusual fiscal years to date.

“Fiscal year 2009 will be one for the history books,” said Maya MacGuineas, president of the Committee for a Responsible Federal Budget. “A lot of astonishing things occurred this year. While we’ve been warning about persisting deficits and growing debt for years now, we’ve never seen numbers quite so daunting. Even as the overall economy is showing signs of recovery, our fiscal outlook is worsening by the day. It’s been a heck of a year when it comes to the numbers; let’s hope FY 2010 is the year of the fiscal turnaround.”

Here is CRFB’s look back over the year, in numbers:

- Dollars added to the national debt: **\$1,650,971,205,167** – Debt held by the public is currently around \$7.5 trillion, up from \$5.8 trillion just one year ago today.
- Number of banks taken over by the Federal Deposit Insurance Corporation (FDIC): **99** – Over the last year, the FDIC has had to take over and sell off the assets of nearly 100 banks with over \$100 billion in deposits, for a cost to the FDIC of around \$30 billion. The FDIC now faces severe financing difficulties.
- Expansion of Fed Balance sheet: **\$663 billion** – The Federal Reserve has increased the size of its balance sheet to nearly \$2.2 trillion, up from \$1.5 trillion a year ago and around \$900 billion two years ago. (Read “[The Extraordinary Actions taken by the Federal Reserve](#)”).
- Stimulus dollars spent from the \$787 billion American Recovery and Reinvestment Act (ARRA): **\$164 billion** – So far, most of the spending has gone toward Medicaid, Unemployment, and the Making Work Pay Tax Credit (details available at [Stimulus.org](#)).

- Number of banks receiving assistance from the \$700 billion Troubled Asset Relief Program (TARP): **684** – In total, the TARP program has spent over \$350 billion of the funds, around half of which has been used for bank equity purchases (details available at Stimulus.org).
- Deficit as a percent of GDP for FY 2009: **11.2 percent*** – This is a post-war record, and is significantly higher than last year's deficit of 3.2 percent of GDP, or the previous year's deficit of 1.2 percent. (*Projected number, based on CBO's August 2009 Budget and Economic Outlook.)
- Change in CBO's ten year deficit projection: **\$4.8 trillion*** – Last year, the Congressional Budget Office's baseline projections showed a deficit of \$2.3 trillion over the subsequent decade. CBO is currently projecting a deficit of \$7.1 trillion. (*Projected number, based on CBO's August 2009 Budget and Economic Outlook.)
- Number of FY 2010 appropriations bills expected to be passed before the September 30th deadline: **1** – Of the 13 total appropriations bills, only the Legislative Branch bill has been passed by both houses of Congress. Accompanying the bill is a one month Continuing Resolution.
- Number of deficit reduction bills signed into law: **0** – Despite rapidly increasing deficit projections, no efforts have been made over the last year to directly rein in medium- or long-term deficits.
- Number of papers, releases, and op-eds put out by CRFB: **99 (including this one)** – [Read them here](#) on CRFB's website.

"On fiscal policy, we haven't exactly had a banner year," MacGuineas said. "Many of the deficit-increasing actions the government has taken were necessary to strengthen the economy. But if not accompanied by efforts to reduce the long-term fiscal gap, they come at the expense of future growth and prosperity. It's not too late to get our fiscal house in order though -- we should make that as our fiscal New Year's resolution."

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Remembering Henry Bellmon

Yesterday, CRFB co-founder and former co-chairman Henry Bellmon passed away, at the age of 88.

“Henry Bellmon, Governor, Senator and distinguished Statesman, was a founder of the Committee for a Responsible Budget,” said CRFB co-chair Bill Frenzel. “Few members of Congress knew more about the Federal Budget, and none understood the implications of our lack of fiscal sobriety as well as he. This Committee salutes his many achievements and mourns the passing of a Congressional giant.”

In 1963, Bellmon became Oklahoma’s first Republican Governor and five years later was elected to the U.S. Senate. Bellmon served in the Senate through 1980, where he was instrumental in creating the modern federal budget process, along with the budget committees. Upon leaving, he and his colleague, former Congressman Robert Giamo (D-CT), convened a group of budget experts and practitioners, who concluded that the country needed an organization outside government committed to sound budget process. A year later, the Committee for a Responsible Federal Budget was formed.

In 1983, Mr. Bellmon re-entered politics by becoming the director of the Oklahoma Department of Human Services, and in 1986 was reelected governor – where he served through 1991. Since then, he has worked as a professor and lecturer at a number of universities, and a Senior Advisor for the Committee for a Responsible Federal Budget.

His death, on Tuesday, came after a lengthy battle with Parkinson's Disease. He will be missed.