

Public's budget priorities differ dramatically from House and Obama: study

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When it comes to the federal budget, the public is on a different page than either the House of Representatives or the Obama Administration – with a different set of priorities and a greater willingness to cut spending and increase taxes – concludes a new analysis by the University of Maryland's Program for Public Consultation (PPC).

This new analysis compares the House and administration budget proposals with those produced by a representative sample of U.S. adults. These public budgets were part of an innovative study released last month.

While there were some partisan differences in the magnitude of spending changes, two thirds of the time, the average Republican, Democrat and Independent in the survey agreed on the items that should be cut or increased.

- **Defense:** Public favors deep cuts while the administration and the House propose modest increases.
- **Domestic:** Public favors substantially more spending on job training, education and pollution control than either the House or the administration.
- **Level of Cuts:** On average the public made a net reduction in spending of \$146 billion – far more than either the

administration or the House.

- Taxes: The public also showed readiness to increase taxes by an average of \$292 billion – again, far more than either the administration or the House.

"Clearly both the administration and the Republican-led House are out of step with the public's values and priorities in regard to the budget," said University of Maryland School of Public Policy researcher Steven Kull, who conducted the study and directs the Program for Public Consultation (PPC). "Our respondents would more than double funding for job training and cut deeply on defense."

While the time frames of the three budgets are not the same, the comparison still reflects substantial differences in priorities and approaches used by the respondents, the House and the administration, Kull added. The public's response was based on the projected budget for 2015, while the House budget and President Obama's were relative to figures for the current fiscal year.

"The budget allocations represent a clear expression of values and priorities, even if the time frames differ," Kull said.

PPC is a joint program of the Center on Policy Attitudes and the School of Public Policy at the University of Maryland.

Unlike conventional polls, PPC research "consults" with the public – presenting respondents information on policy issues, followed by a range of options to address them. In this case respondents were presented the discretionary budget, with descriptions of each program, and allowed to make changes.

MAJOR FINDINGS - SPENDING

- **DEFENSE:** On average, the public cut defense spending by 18 percent, reducing it \$109 billion. In contrast, the president's proposal increases defense spending by four percent and the House two percent.
- **JOB TRAINING, HIGHER EDUCATION:** The public increased job training 130 percent, while the House cut it 47 percent, and the administration cut three percent. For higher education, the House cut 26 percent, the administration increased by nine percent, and the public would nearly double current spending with an increase of 92 percent.
- **ENERGY, ENVIRONMENT:** The House bill cut the Department of Energy's work on renewable fuels and efficiency, by 36 percent. This contrasts with the administration's 44 percent increase. The public went even further with a 110 percent increase. While the House cuts the Environmental Protection Agency's [budget](#) by 39 percent, and the administration by 13 percent, the public would increase it by 17 percent.
- **NASA, SCIENCE RESEARCH:** On average, the public cut the space program 17 percent, while neither the administration nor the House made significant changes. The administration and the public propose modest increases for scientific research, while the House cuts it by 12 percent.
- **FOREIGN AID:** The public cuts spending for foreign aid meant to serve strategic purposes (Economic Support Fund) by 23 percent and military aid 15 percent. The administration cuts the Economic Support Fund nine percent, the House six percent; neither makes significant cuts in military foreign aid.

For more altruistic forms of aid, the public makes little change

overall, but shifts funds around – increasing humanitarian aid by 18 percent, cutting development assistance 14 percent and leaving spending on global health essentially unchanged. The president cuts humanitarian assistance eight percent, while increasing global health funding 11 percent, and increasing development assistance 12 percent. The House cuts humanitarian assistance 17 percent, global health six percent and development assistance 18 percent.

- **TRANSPORTATION:** The administration calls for big increases in federal spending on highways (53 percent), air travel and roads (36 percent) and mass transit (109 percent). The House cuts mass transit 27 percent. The public cuts highways nine percent, air travel and roads seven percent, but leaves mass transit essentially unchanged.

MAJOR FINDINGS – TAXES

- **PUBLIC:** On average, respondents increase revenues by \$292 billion. The largest portion comes from income taxes: majorities raise taxes on incomes over \$100,000 by five percent or more, and for incomes over \$500,000, by 10 percent or more. Majorities also increase corporate and other excise taxes. For the estate tax, a majority (77 percent) favors increasing tax rates at least to 2009 levels (taxing estates over \$3.5 million at a 45 percent rate). Only 15 percent of respondents support the recently passed estate tax levels (\$5 million at a 35 percent rate).
- **ADMINISTRATION, HOUSE:** The Obama Administration holds to its position that the Bush-era tax cuts for incomes above \$250,000 should be allowed to expire, and now proposes this for

after 2012. By 2015 this would generate \$97.2 billion in revenues. The House leadership has so far not made any proposal to increase tax revenues and has favored making the Bush tax cuts permanent.

More information: A complete report on the new analysis is available online: public-consultation.org/index.html

Provided by University of Maryland

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