



CHAIR JODEY ARRINGTON

HOUSE BUDGET COMMITTEE

Op-Ed, Washington Examiner: *Biden's Cruel Economy*

WASHINGTON, D.C. – This week, House Budget Committee Chairman Jodey Arrington (R-TX) penned an [Op-Ed](#) in the *Washington Examiner* on the effects of President Biden's cruel economic policies. Under the Biden Administration, our country is at the **highest level of indebtedness in history**, inflation has **soared nearly 20 percent**, and the American dream has grown **increasingly out of reach** for millions of people.

Read more as Chairman Arrington lays out the cost of President Biden's cruel economy.

CHAIRMAN ARRINGTON IN THE WASHINGTON EXAMINER

Via the [Washington Examiner](#):

“Economist Milton Friedman defined inflation as “too much money chasing after too few goods.” He could have just as easily described President Joe Biden’s economic agenda.

For almost four years, Biden’s policies have flooded the marketplace with federal stimulus while squeezing the supply of goods and services through higher taxes and regulations. The result has been a cost-of-living crisis and an economy in decline.



The system of free enterprise and fiscal responsibility, along with the spirit of hard work and self-reliance that built the largest, most dynamic economy in the world, has been replaced by Bidenomics' endless bureaucracy, unbridled spending, and government dependency.

Biden's signature legislation, the spuriously named "Inflation Reduction Act," imposed tax hikes on job creators, expanded Obamacare subsidies for the wealthy, and handed out hundreds of billions of dollars in wasteful tax breaks to green energy corporations.

The president enacted policies that paid people more to stay home than to return to their jobs and waived work requirements in welfare programs for able-bodied adults, creating a labor shortage and trapping a whole new generation of people in poverty and government dependence.

He unleashed a barrage of rules and regulations on small businesses costing hundreds of billions of dollars.

And Biden's whole-of-government assault on domestic energy, the very lifeblood of our economy, has significantly increased production costs across the board.

During the recent presidential debate, Biden tried to convince voters that his presidency has been a success, that the economy is strong, and that their lives are better than they were four years ago.

For the sake of our country, I wish it were so — but, unfortunately, it couldn't be further from the truth. Regardless of their political affiliation, people know better. Under the profligate spending and failed economic policies of Biden's administration, their lives have become harder, the country weaker, and their futures less certain.

But don't take my word for it. The nonpartisan Congressional Budget Office projects that deficit spending for fiscal 2024 will reach a staggering \$1.9 trillion. This comes on top of the \$7 trillion added to the federal debt under



Biden, bringing us to the highest level of indebtedness in our nation's history, surpassing the previous high during World War II.

Biden's insatiable deficit spending has not only lit the fuse on record inflation but has resulted in the highest interest rate hikes in a quarter century. The cost just to service our national debt has increased by \$540 billion, or 153%, since Biden took office. Those net interest expenses represented 9% of federal revenue in 2021 and are projected to double to 18% in 2024 and rise to 23% in 2034.

Massive federal spending along with failed economic policies under unified Democratic control of government caused inflation to climb to 9.1% in June 2022. Inflation is still sticking at levels well above the Federal Reserve's target for reducing interest rates.

In total, prices have risen nearly 20% since Biden became president, forcing families to pay more than \$17,000 more per year, or \$1,400 per month, for the same goods and services. Sadly, inflation has grown faster than income over the last three years, reducing real wages by 4% since January 2021.

To put this in perspective, the new "inflation tax" is the equivalent of two car payments (national average \$726 per month), more than the mortgage payment on a \$250,000 home, and nearly five student loan payments (national average \$300 per month for a bachelor's degree).

The Fed responded to the spike in prices by raising rates 11 times beginning in March of 2022, and interest rates have remained at 5.25% since July 2023. High interest rates have made it impossible for many to buy a home or a car, pushing the American dream further out of reach for millions of hardworking families.

The economy is sagging under the weight of all these misguided policies, with GDP growth dropping significantly from 3.4% in the fourth quarter of 2023 to a paltry 1.4% in the first quarter of 2024.



The public has taken notice. Consumer confidence is on the decline, and for the past five months, the Expectations Index, which measures consumers' short-term outlook for income, business, and labor market conditions, was low enough to indicate consumers believe a recession lies ahead.

With wages unable to keep up with inflation, total household debt has increased 21% since January 2021, amounting to a record \$17.69 trillion. Credit card debt alone sits at an unheard-of \$1.12 trillion, having nearly doubled under Biden's watch.

These daunting statistics under the Biden administration paint a depressing picture of a cruel and unforgiving financial reality for most people.

But there's hope. With the right policies, these harsh economic conditions can change.

If we are going to bring down inflation and interest rates, lift our economy, and strengthen our nation's balance sheet, we must reduce spending and grow the economy. That has been the formula for success over the entire history of our country, and it's the only path leading to America's future prosperity.

We must rightsize the bloated bureaucracy, reverse Biden's spending spree, reform healthcare and welfare, restore incentives to work, root out the hundreds of billions in waste and fraud in entitlement programs, and reignite growth by keeping taxes low and cutting the layers upon layers of unnecessary regulations.

If we don't restore economic freedom and fiscal responsibility, we will not only jeopardize America as the "land of opportunity", but we will surrender our nation's leadership and influence around the world."

THE BOTTOM LINE

Our growing deficit is a national security risk and harms hardworking American families. Since President Biden took office, inflation has risen by a



staggering **19.3 percent** and interest payments on our national debt have skyrocketed by **153 percent**.

Chairman Arrington continues to **Sound the Alarm** that Bidenomics will only lead our country into worse economic dismay.

MORE FROM THE HOUSE BUDGET COMMITTEE

Read more about Biden's failed Presidency [**HERE**](#).

Read how the unemployment rate reached highest level since November 2021 [**HERE**](#).

Read how consumer confidence weakened in June [**HERE**](#).

Read how GDP growth for Q1 came in at a low **1.4 percent** [**HERE**](#).

