

To: Interested Parties
From: Anita Dunn, Senior Advisor to the President
Date: Thursday, September 14, 2023
Re: Bidenomics vs. MAGAnomics Will Define the Fall Budget Debates

In June, President Biden traveled to Chicago to deliver a [major address](#) outlining how Bidenomics is growing our economy from the middle out and bottom up—not the top down—by investing in all of America, empowering workers, and lowering costs for families. In the months since, the President, the Vice President, Cabinet members, and Congressional Democrats have fanned out across the country to tell the story of how Bidenomics is delivering for the American people.

With the House now back from August recess—and with fiscal and budget debates poised to take center stage in the weeks ahead—the President will deliver another major economic address today laying out the next chapter of the Bidenomics vs. MAGAnomics contrast: what’s at stake for the American people in debates about the federal budget.

Earlier this week, the Administration [highlighted](#) the devastating impact House Republicans’ partisan appropriations bills—the cuts some House Republicans are now threatening to shut down the government to secure—would have on hardworking families and communities. Today, the President will explain how these harmful cuts fit into the larger Republican budget plan—reflected in the Republican Study Committee’s (RSC) [MAGAnomics Budget](#)—and what that plan would mean for the American people. And he will contrast that with his plans for Social Security, Medicare, and Medicaid, tax fairness, and fiscal responsibility—areas where Bidenomics and MAGAnomics couldn’t be more different.

The Next Chapter of Bidenomics vs. MAGAnomics: The Fall Budget Debates

This fall’s budget debate has its roots in January, when President Biden called on Congressional Republicans to release a budget detailing their *full* economic and fiscal vision. Months after President Biden released his [Budget](#), the RSC, which represents nearly [four out of five House Republicans](#), finally released its MAGAnomics Budget.

While that was less than four months ago, you could be forgiven for forgetting. Despite spending the months since then crisscrossing the country [claiming credit](#) for Bidenomics projects they voted to block, House Republicans have remained conspicuously quiet about their MAGAnomics Budget—and it’s no mystery why. Just consider the core pillars of their plan that we will put front and center this fall:

- **Slash Taxes for the Wealthy and Big Corporations.** The MAGAnomics Budget calls for \$5.1 trillion in tax cuts skewed to the wealthy and big corporations. Under their plan, the top 0.1 percent—households making more than \$4 million per year—would get tax cuts averaging at least \$175,000 per year. That’s more than 2 times a typical American family’s *entire annual income*. On top of that, the most profitable corporations would no longer have to pay the minimum tax the President signed into law.
- **Cut Social Security, Medicare, Medicaid, and Other Vital Programs.** How do House Republicans square their lavish tax giveaways for the wealthy with their stated commitment to reducing the deficit? By making trillions of dollars of cuts to Social Security, Medicare, Medicaid, and other programs seniors and working families count on. The MAGAnomics Budget would increase the Social Security retirement age to 69, restrict eligibility for Social Security Disability Insurance and slash disability benefits, and raise Medicare premiums for many seniors.

And it cuts Medicaid, the Affordable Care Act, and the Children's Health Insurance Program more than in half, which could result in tens of millions of people losing their health insurance, while repealing protections for Americans with pre-existing conditions.

- **Raise Costs for Hardworking Families.** The MAGAnomics Budget does the bidding of Big Pharma by raising prescription drug costs by eliminating Medicare's ability to negotiate prices, eliminating the \$35 per month cap on insulin costs for Medicare beneficiaries, and eliminating the requirement that drug companies pay rebates to Medicare when they raise prices faster than inflation. It repeals the Inflation Reduction Act's expansion of premium tax credits, driving up health insurance premiums by an average of \$800 for nearly 15 million people. It raises taxes by thousands of dollars on middle class families who purchase electric vehicles or install heat pumps. It slashes Pell Grants by at least \$1,000 for millions of students while eliminating eligibility for hundreds of thousands of students from moderate-income families. The list goes on and on.

House Republicans have understandably been reluctant to tout the MAGAnomics Budget—but the White House is going to spend much of this fall doing it for them. Just as the President successfully held Republicans accountable for Senator Rick Scott's plan to attack Medicare and Social Security, he will use today's speech to hold House Republicans accountable for the full MAGAnomics agenda and contrast MAGAnomics with his economic vision—including proposals to make the wealthy and corporations pay their fair share while cutting taxes for working families; protect and strengthen Social Security, Medicare, and Medicaid; and reduce the deficit by an additional \$2.5 trillion over 10 years.

And make no mistake: House Republicans have already begun making an initial down payment on their MAGAnomics Budget as Congress debates two different plans for funding the government in the next fiscal year. While the Senate is advancing bipartisan bills in line with the budget deal the President negotiated with Speaker McCarthy in June, House Republicans have chosen a very different path—putting forward a series of reckless, partisan bills that would gut programs millions of hardworking families count on. At the same time, House Republicans have also quietly advanced a package of massive tax cuts for big corporations—including proposals that would funnel large giveaways to private equity firms and pushing legislation to ensure U.S. multinational companies can continue cutting their tax rates by shifting jobs overseas and sheltering income in tax havens around the world.

The American People Overwhelmingly Reject MAGAnomics

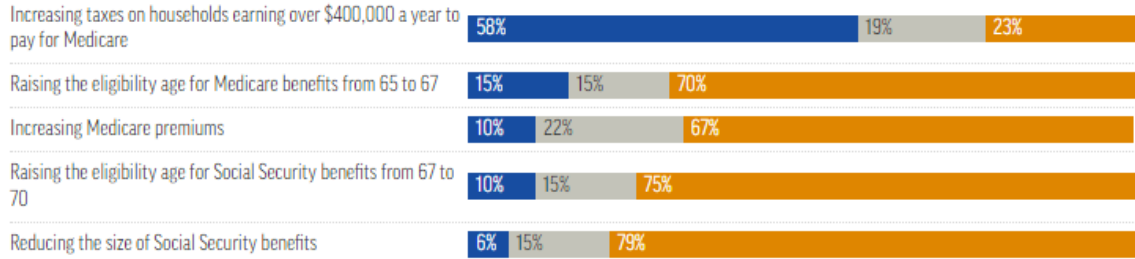
Even as House Republicans continue pushing MAGAnomics, there's a reason they've kept quiet about their actual budget: it is overwhelmingly unpopular with broad cross-sections of the American people.

House Republicans' trickle-down tax cuts for the wealthy and corporations are toxic among the public. A recent [survey](#) by Navigator found that 6 in 10 respondents believed that Republicans' policies help the wealthy and corporations too much. A Pew [survey](#) from April found that roughly 6 in 10 Americans are bothered a lot by the feeling that corporations and some wealthy people don't pay their fair share in taxes. It's no wonder that a recent Ipsos [poll](#) found that 76% of Americans—including 90% of Democrats, 78% of Independents, and 63% of Republicans—support raising federal taxes on corporations and the wealthy while ensuring middle and working-class Americans don't pay more.

Wide opposition to Social Security, Medicare cuts

A new AP-NORC poll shows a majority of U.S. adults support increasing taxes on high income households to pay for Medicare, but few are in favor of other reforms to Medicare or Social Security, including raising eligibility ages.

■ Favor ■ Neither favor nor oppose ■ Oppose



Results are based on a survey of 1,081 U.S. adults conducted March 16-20, 2023. The margin of error is ±4 percentage points.

Source: AP-NORC Center for Public Affairs Research

AP

The American people also overwhelmingly oppose efforts to cut Social Security, Medicare, and Medicaid. A recent Associated Press-NORC Center for Public Affairs Research [poll](#) found that 79% of respondents said they oppose reducing the size of Social Security benefits, 75% oppose raising the eligibility age for Social Security benefits from 67 to 70, and 67% oppose increasing Medicare premiums. In [another poll](#), 82% of respondents opposed cutting future Social Security benefits for Americans under 50, including 84% of Democrats, 80% of Independents, and 83% of Republicans. 74% of respondents preferred increasing taxes on the wealthy to protect Social Security, while only 15% preferred cutting future Social Security benefits for Americans under 50. Another [poll](#) found that 76% of respondents said that rather than cut funding to Medicaid, we should keep Medicaid as it is.

At the same time, the American people strongly support President Biden’s plan to invest in America and lower costs. A recent [survey](#) from Navigator found strong majority support for key Biden policies—including 82% support for capping insulin costs for seniors at \$35 per month, 81% support for giving Medicare the power to negotiate for lower prescription drug prices, 77% support for capping out-of-pocket costs on prescription drugs for seniors at \$2,000 per year, 76% support cutting premiums for people buying health insurance on their own, and 73% support lowering energy costs by \$1,000 per year for the average family.

Moreover, [76% of respondents](#) in another poll said they support the Bipartisan Infrastructure Law to invest in highways, broadband Internet expansion, clean water, and electrical grid renewal—including Democrats by an 87-point margin, Independents by a 66-point margin, and Republicans by a 32-point margin. And [72% of respondents](#) said they support the CHIPS and Science Act to strengthen supply chains and invest in the domestic manufacturing of semiconductors—including majorities of Democrats, Republicans, and Independents.

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