

As Americans we have always lived by an ethos of sacrifice, a means of ensuring that the next generation has a better chance to succeed. Our parents and grandparents lived by this principle. Yet we have now gone tragically off track. Rather than laying the groundwork for the next generation to succeed, our country's leaders are mortgaging our future, burying the young under a mountain of debt.

The economic policies of the Bush Administration are atrocious. They have created a boon to wealthy Americans and a legacy of debt for future generations. While America's wealthiest individuals receive the bulk of the tax cuts, America's middle class gets squeezed. Under the Bush Administration, the economy grew at a rate of 0.3 percent in 2001 and 2.4 percent in 2002 -- the worst two years of economic growth since 1990-91. Yet this President's answer has been the same: cut taxes for the wealthiest Americans and run up the deficit to starve essential government services like education and homeland security, thereby forcing states and municipalities to raise taxes. The budget deficit, now estimated at \$450 billion, soars out of control with no relief in sight. The Bush Administration philosophy is simply "borrow and spend," and let our children and grandchildren pick up the pieces.

We must restore fiscal discipline, focus tax cuts on middle-class Americans, and reverse the nation's mounting generational inequality. We are behaving like a banana republic, spending money we don't have. If current trends continue, by 2030 the federal budget will only be able to fund Social Security, Medicare, defense, and debt interest. That means no federal money for schools, police, national parks, or air traffic controllers. What kind of society would that be?

Here's how I'd help get America out of this mess:

Targeting tax cuts for those who need them:

I would repeal the stock dividend tax-cut and rescind the Bush tax cuts for those in the top 1% of income, while keeping middle-class child tax credits intact. I will also work to reinstate the estate tax at \$10 million per family and \$5 million per individual.

- Before the repeal of the estate tax, less than 2% of all estates were taxed, and half the estate tax was paid by the largest 5% of estates. The repeal will cost the Treasury \$100 billion in revenues in the first 10 years and as much as \$50 billion per year when the estate tax is fully eliminated.

Ending fiscal recklessness:

- The national debt is \$6.8 trillion, and has increased an average of \$1.58 billion per day this year.
- A new round of tax cuts, coupled with a continuing U.S. occupation of Iraq could help drive up the debt by another \$3.6 trillion through 2011, just as baby boomers begin to retire.

Assure that Social Security is adequately funded to meet the needs of the next generation:

The simple fact is that the baby boom generation, quickly approaching retirement age, will swell the number of Social Security beneficiaries right as the labor force is declining. In 2002, 46 million people received Social Security. By 2020, that number will exceed 68 million. But the labor force contributing to the system will start declining in 2010, and by 2025 is expected to be less than a third of what it is today. In 1950, 16 workers paid into the system for every retiree. Today, the ratio of workers to beneficiaries is 3.3 to 1. In 40 years, it will drop to 2 to 1. At the same time, life expectancy is increasing. When Social Security began in 1935, life expectancy was about 60. It's over 76 today, so beneficiaries are receiving benefits longer.

The Social Security Trust Fund is estimated to be exhausted by 2032. That's why we must take Social Security off the table and insulate it from the rest of the budget, so money can't be taken out of Social Security for anything but Social Security.