

Only in Washington could a \$248 billion budget deficit be touted as good news. But that is exactly what President Bush and Republicans did last week. The Grand Old Party is clearly in a state of denial on the deficit.

Our nation has had a fiscal downturn of historic proportions due to reckless economic policies and the failure to follow common-sense, pay-as-you-go budget rules.

Here is the bottom line: The Bush Administration and Congressional Republicans inherited a projected 10-year budget surplus of \$5.6 trillion in 2001, and in just 70 months turned that surplus into a projected deficit of \$4 trillion.

In the last five years, we have had the three largest budget deficits in our history. We have had to raise the statutory debt limit, which is somewhat like the nation's credit card limit, four times in five years, adding more than \$3 trillion to the national debt, which today stands at nearly \$8.6 trillion. That means that every man, woman and child in America owes more than \$30,000 in public debt. And, since 2001, every single nickel of the Social Security Trust Fund has been spent – an action that artificially masks the true size of the budget deficit. The fastest growing component of government spending is interest on the debt, which grew 24 percent from last year and will average over \$300 billion a year during the next decade.

While a slowing economy and 9/11 undoubtedly had an effect on our nation's finances, some try to mislead in using those two events to obscure the major role that current budget policies have played in creating record deficits and debt.

There is only one person in Washington who can stop spending in its tracks: the President. But for all his public hand-wringing over government spending, President Bush has failed to veto any of the spending bills the Congress has sent him. Not one.

The fact is, this is the most fiscally irresponsible leadership in American history. Republican policies have put us in a terrible position to deal with the retirement of the Baby Boom generation and the increasing costs of Medicare and Social Security.

The non-partisan Congressional Budget Office reports that over the next decade, if all tax cuts are extended and the middle-class is protected from the Alternative Minimum Tax, the government will incur another \$3.5 trillion of debt. The President's own Treasury Department concluded that a "permanent reduction in taxes...would lead to an unsustainable accumulation of government debt," without massing offsetting spending cuts. And that is only if the wars in Iraq and Afghanistan are ratcheted down.

Democrats propose a new direction on the economy that includes a commitment to fiscal discipline. We would restore common sense "pay as you go" rules that say any increase in spending or decrease in revenue, such as tax cuts, must be offset by decreases in spending elsewhere or increases in revenue. We would also require that budget plans achieve balance and not add to the deficit.

This is not just political rhetoric. Democrats have put these policies into action. "Pay as you go" policies helped create four years of surpluses under Clinton, and Democrats proposed a budget for Fiscal Year 2007 that would have reached balance by 2012. The 2007 budget plan that House Republicans passed never reached balance.

President Bush and Republicans are in denial about the negative effect their fiscal policies have had on the American people. Democrats believe that all of us deserve the opportunity to achieve the American Dream. But massive debt will drag down the economy and rob many Americans of that opportunity. For the first time, Americans are concerned that their kids will not be better off than they are. Democrats believe that fiscal responsibility will help put America back on the right track.