

The federal deficit is an issue that seems remote and removed from the everyday lives of most Americans. However, the cost of the recovery effort in the aftermath of Hurricane Katrina is bringing the deficit out of the halls of Congress and into the pocketbooks of American families. The government's new fiscal year started October 1st, so it is an appropriate time to take a hard look at what Republican fiscal policies have done to our country's bottom line over the past five years.

Thanks to the fiscally disciplined Democratic policies in the 1990s, the country enjoyed unprecedented economic growth. When President Bush took office in 2001, he inherited a ten-year \$5.6 trillion surplus. Yet sadly—and dangerously, I might add—Bush and Congressional Republicans have squandered this entire surplus and their policies will create nearly \$4 trillion in deficits in the next ten years. That means that since Bush took office, there has been nearly a \$10 trillion reversal in the nation's finances.

Furthermore, President Bush and Congressional Republicans have run up the three largest deficits in American history. The astronomical numbers tell the story: for 2003, 2004, and 2005 (estimated), the federal deficits are \$378 billion, \$412 billion, and \$331 billion, respectively.

These numbers are relevant to the daily lives of the American public for two major reasons. First, enormous deficits put us in a difficult position when it comes to recovering from natural disasters, such as Hurricane Katrina, and responding to other major national challenges. It is right and it is necessary that the government should invest in the rebuilding of the Gulf Coast region, and help our fellow Americans get back on their feet. However, the huge sums of money needed for this effort will require tough choices.

The Republicans who control Washington are discussing two possibilities: either borrow the money (mostly from foreign governments) or drastically cut programs that help our most vulnerable citizens, including those affected by the Hurricanes. The programs targeted for cuts range from student loans, to food stamps, to Medicare and Medicaid. These are the very same programs that are helping hurricane victims recover. Either way, Republicans plan to pursue tens of billions of dollars in tax cuts that largely benefit the wealthiest Americans.

Second, huge deficits make us more reliant on foreign borrowing, and thus more vulnerable to political instability in countries such as China, Saudi Arabia, Germany and Japan. The more we have to depend on foreign countries to fund our deficits, the less domestic control we have over the American economy. This is dangerous for us in the short-term and for our children in the

long-term.

I recently lead a group of 15 Democrats who are leaders in defense and national security in the drafting of a document entitled “Ensuring America’s Strength and Security: A Democratic National Security Strategy for the 21st Century.” In this document, we argued that the ballooning federal deficit is not only a threat to our economy but it is also a major threat to our national security.

Throughout my time in public life, I have been committed to fiscal responsibility and a balanced budget. I have voted for and continue to support a Constitutional amendment to require balanced federal budgets.

During the debate over the Fiscal Year 2006 budget, Democrats offered a budget alternative that would have balanced our nation’s budget in 2012. The Republicans’ budget never reached balance. Unfortunately, our budget was defeated by the Republican majority. However, Democrats will continue to promote fiscally prudent policies, such as reinstating pay-as-you-go budget rules that require increases in spending or decreases in revenue to be offset so that they do not increase the deficit. These rules were key to our balanced budgets in the 1990s.

For the past five years, the Republican Congress has failed to make the tough choices required of leadership. It is my view that the role of Congress is to promote sound and responsible policies that strengthen the country and create a secure future for our children. I believe that the Republican policies pursued over the past five years are extremely irresponsible. We must demand and expect more from Congress. Democrats will continue to fight hard to change the direction of our nation’s finances.