

The Fiscal Wake-Up Tour

presented on Monday, January 14, 2008

Tallahassee, Florida

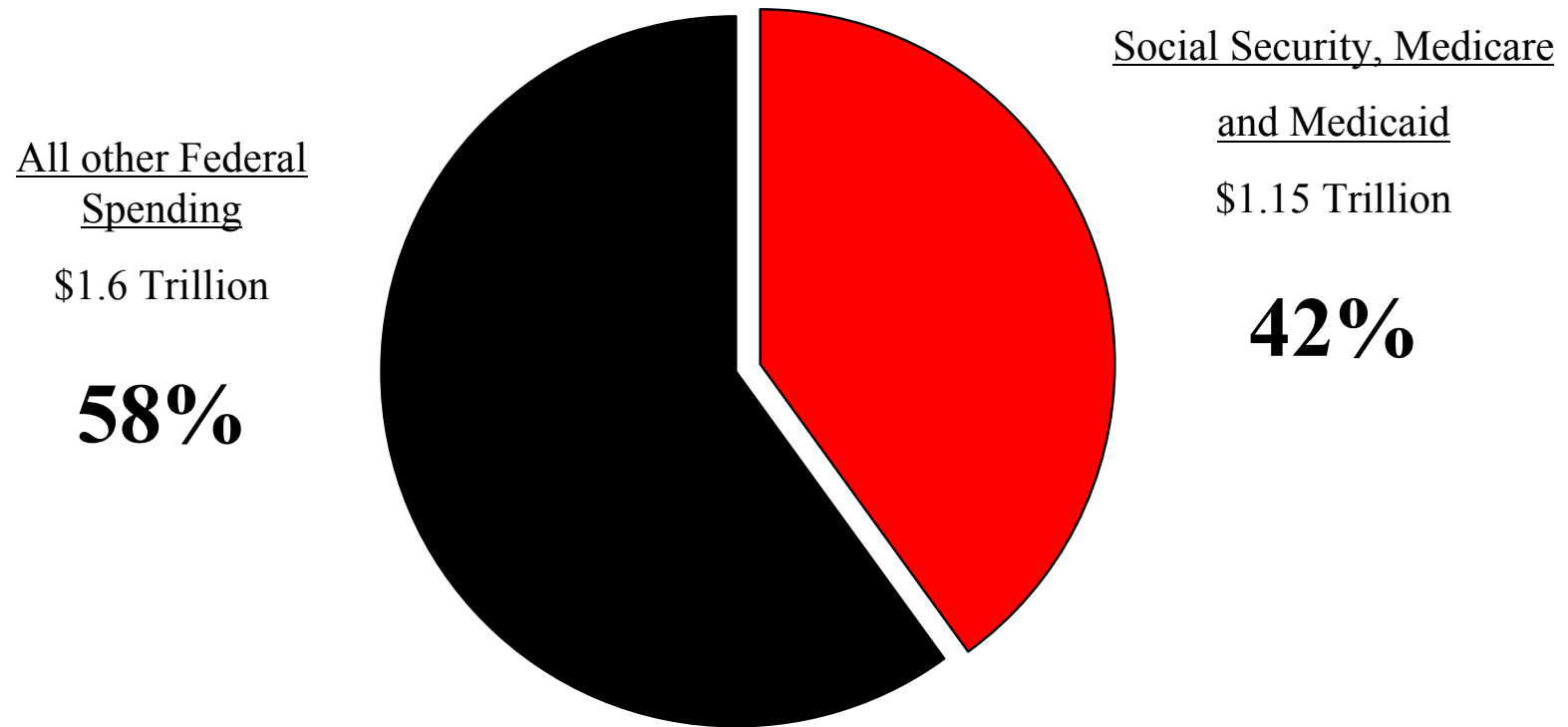


The Concord Coalition

Robert L. Bixby, Executive Director

www.concordcoalition.org

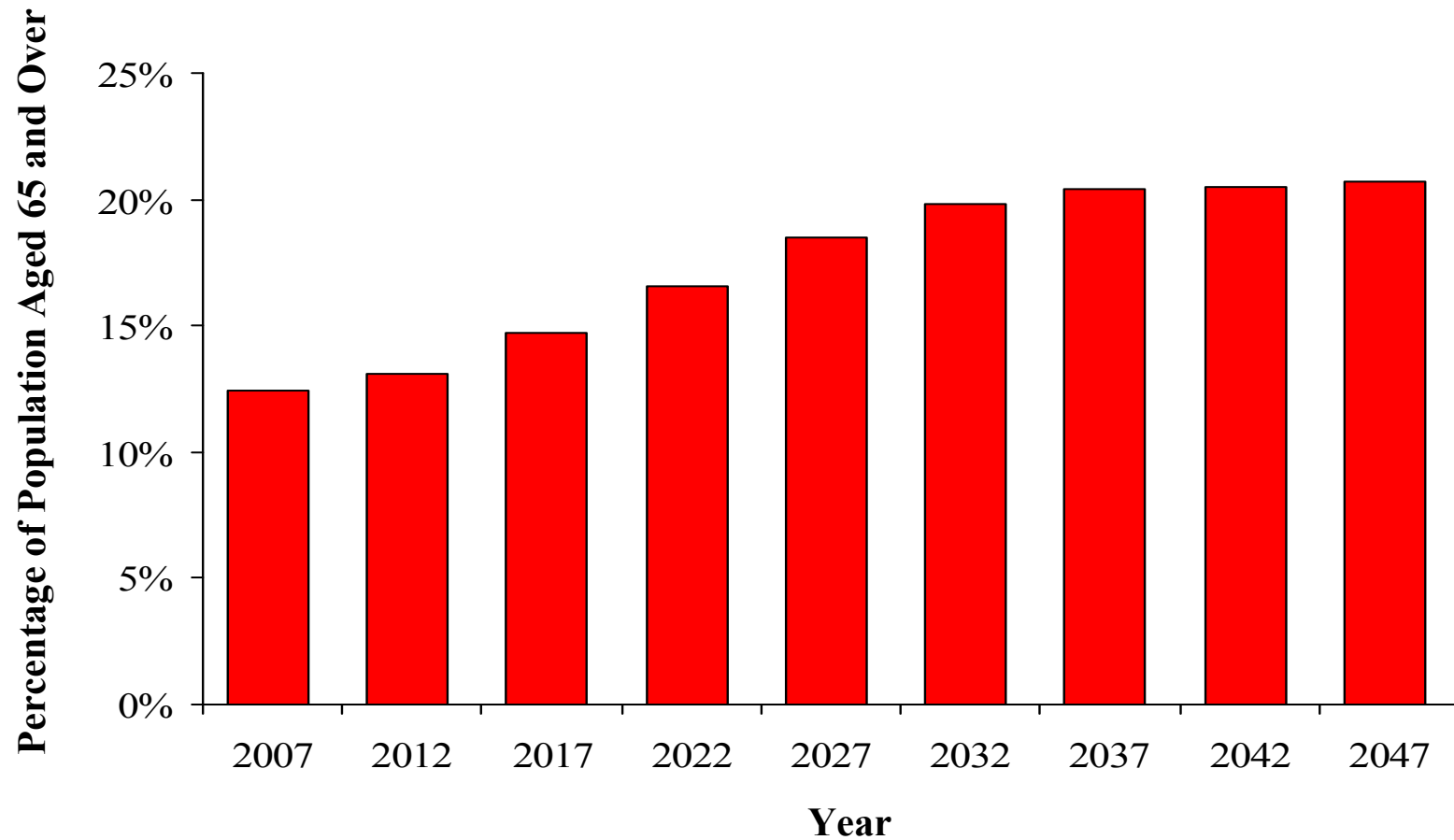
Social Security, Medicare, & Medicaid as a Percentage of the Federal Budget



Source: Congressional Budget Office

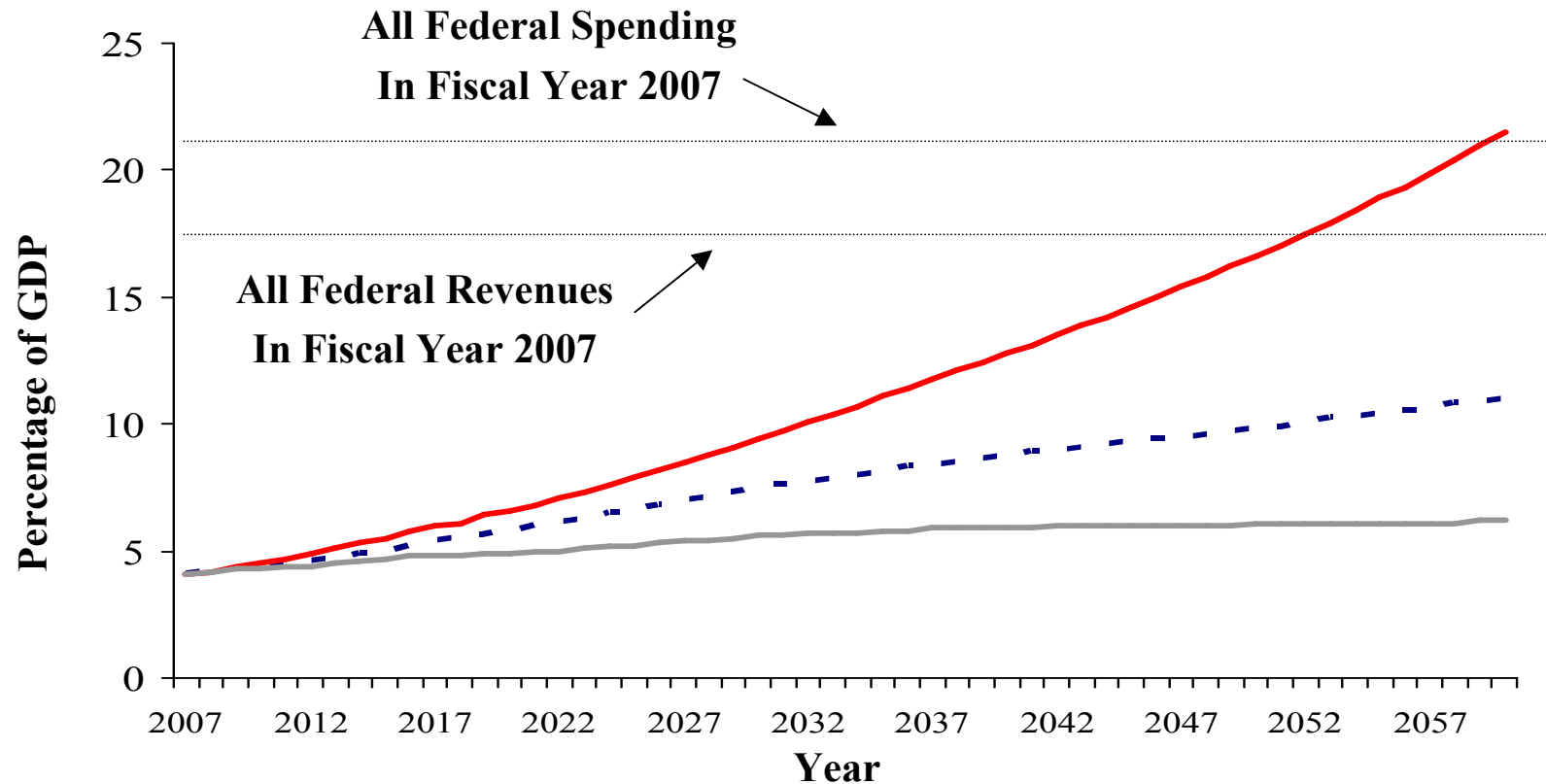
America's Population is Aging

Population age 65 and Over



Source: Social Security and Medicare Trustees' Report, April 2007

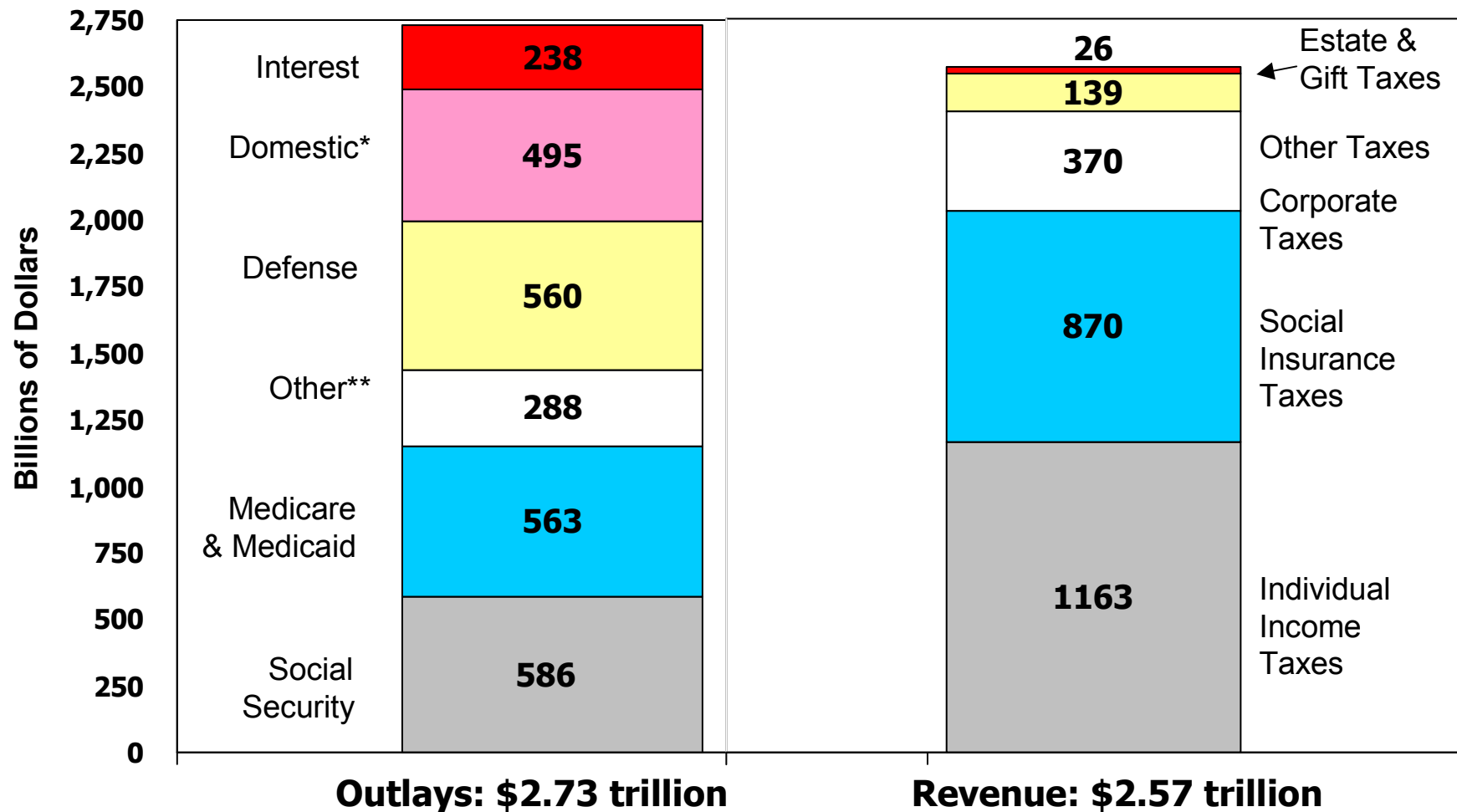
Health Care Costs are Rising Faster Than the Economy



- Assumes that health care cost growth will not exceed GDP growth.
- Assumes that health care cost growth continues at the average rate for the past 40 years (2.5 percentage points greater than GDP growth.)
- - Assumes that health care cost growth rate declines to 1.0 percentage point greater than GDP growth—consistent with the assumption used by the Medicare Trustees.

Source: Congressional Budget Office, December 2007

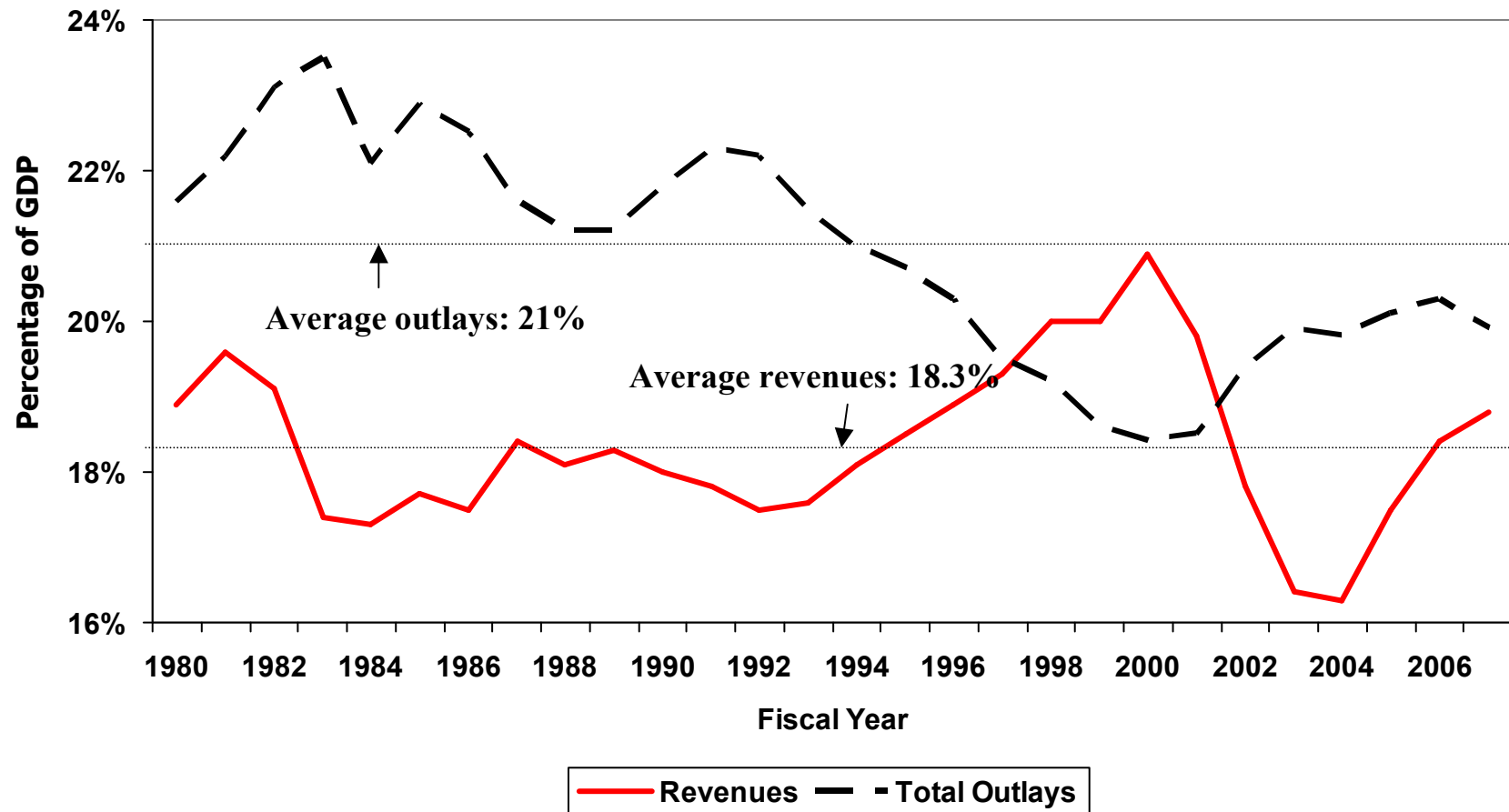
Composition of Actual FY 2007 Federal Government Revenues and Outlays (Deficit: \$163 Billion)



*Includes all appropriated domestic spending such as education, transportation, homeland security, housing assistance, and foreign aid.
Source: CBO and Treasury, 2007.

**Includes all other mandatory spending such as military and civilian retirement and disability, supplemental security income, earned income and child tax credits, food stamps, unemployment compensation, etc., minus off-setting receipts.

Federal Spending vs. Revenues as a Percent of GDP (FY 1980-2006)



Source: Congressional Budget Office, August 2007 and Office of Management and Budget, 2007

Washington Needs a Fiscal Wake-Up Call From “We The People”



- The Fiscal Wake-Up Tour consists of speakers from diverse perspectives who are increasingly alarmed by the nation’s long-term fiscal outlook.
- Our mission is to cut through the usual partisan rhetoric and stimulate a more realistic public dialogue on what we want our nation’s future to look like, along with the required trade-offs.
- Elected leaders in Washington know there is a problem, but they are unlikely to act unless their constituents — We The People — demand it.

Key Points of Agreement

Members of the Fiscal Wake-Up Tour do not necessarily agree on the ideal levels of spending, taxes and debt, but we do agree on the following key points:

- Current fiscal policy is unsustainable
- There are no free lunch solutions, such as cutting waste fraud and abuse or growing our way out of the problem.
- Finding solutions will require bipartisan cooperation and a willingness to discuss all options.
- Public engagement and understanding is vital in finding solutions.
- This is not about numbers. It is a moral issue.