

## SENATOR JOE BIDEN ON THE ECONOMY

*“History shows us that when our middle class is strong, our nation is strong. But when the middle class is threatened, our nation is weaker, economically and politically. The basic social compact that built our economy and built our middle class – that compact is under attack. We must restore growth and fairness to meet the new challenges before us.”*

– Senator Joe Biden

### THE BIDEN PLAN: RE-INVIGORATE THE MIDDLE CLASS

**Stabilize the housing markets:** With home values dropping in Delaware and nationwide, with millions of families worried about losing their homes, and with our financial system teetering, Senator Biden worked to enact landmark legislation to support the system and bring help where it is needed. To restart the housing market, it helps local governments stabilize communities, assists first-time homebuyers, and provides counseling and refinancing assistance to those facing foreclosure. Going forward, it cracks down on predatory lending, provides tax breaks for small businesses, and offers crucial support to Fannie Mae and Freddie Mac, which together hold about half of our mortgages.

**Energy prices and inflation:** Skyrocketing prices for energy and food are squeezing Americans. Families in Delaware spend \$10 more every day on gasoline than they did in 2000. To start bringing down prices now, here is what Senator Biden would do: he would prohibit price gouging, roll back oil market speculation, and take on the OPEC monopoly to stop them from manipulating prices. Senator Biden believes we should help those hit the hardest, like seniors on fixed incomes. Going forward, he has proposed an Apollo Project for energy, to invest in alternative energy and new technologies to free us from our dependence on foreign oil.

**Unemployment:** Senator Biden worked to extend unemployment benefits to help those who have lost their jobs in a slumping economy. With unemployment on the rise and people out of work longer, he believes we need to do more to help communities that are hardest hit, to keep families together, and to support the search for work.

**Invest in America’s Infrastructure:** Senator Biden understands America needs 21<sup>st</sup> Century infrastructure for a 21<sup>st</sup> Century economy. Our bridges and dams are crumbling, our roads and airports are overcrowded, and our water systems, electrical grids, and communications networks are woefully out of date. Over fifteen years ago, Senator Biden first proposed making a priority of these critical projects that keep America working more productively. Every \$1 billion we spend on building our infrastructure creates 50,000 good paying jobs and leaves an investment our children and grandchildren can inherit.

**Common Sense Budget:** Senator Biden grew up in a working-class neighborhood where families sometimes struggle, but if something was really important they would set priorities, make tough choices, and find a way to pay for it. He wants government to do the same and adopt a Pay-As-You Go budget. If government wants to spend more in one area, it has to pay for it, not charge it to the next generation.

## THE BIDEN RECORD: A RESPONSIBLE BUDGET

**Tax relief for the middle class:** Senator Biden voted for tax relief that makes sense:

- **Fixing the Alternative Minimum Tax** – so millions of middle-income Americans are not hurt by a tax intended to make sure the wealthiest pay their share.
- **Extending the Research and Development Tax Credit** – so businesses will invest in innovations that make America competitive and create jobs.
- **Expanding the Earned Income Tax Credit** – which has lifted millions of Americans out of poverty.

**Re-invest in the middle class:** By directing tax cuts away from the very rich to the middle class, and ending the War in Iraq that costs Americans more than \$100 billion a year, Senator Biden would invest in the future of the middle class. Here is how he would do that:

- **Health Care** – We should expand access to affordable health care, beginning with America's 9 million children who have no coverage.
- **Energy** – We should offer help to families struggling with record energy prices, and ramp up our investment in alternative and renewable energy technology to move America away from its dependence on foreign oil.
- **Education** – Every American child should be able to attend two years of pre-school, and we should double the number of children now served by Head Start. We must pay more to attract and retain teachers and to reduce class sizes.
- **College Affordability** – A college education is increasingly valuable in today's world. Senator Biden's College ACCESS legislation would provide a \$3,000 refundable tax credit to cover college tuition. During the next decade, more than 2 million students who qualify for college may not be able to afford it. The program would keep college from becoming a luxury out of the reach of middle-class families.
- **Homeland Security** – In 2007 alone, Senator Biden introduced bills to put 50,000 more police officers on the street, to buy fire fighters needed equipment, to scan cargo containers entering America's ports, to implement security recommendations from the 9/11 Commission, and to provide resources so emergency workers can respond to a health-crisis like a biological attack or pandemic flu.

**Stop the Runaway Deficits:** Tough votes and tough choices balanced the Federal Budget by the end of the 1990s, but since then surpluses have been turned into record deficits. Since 2000, a projected ten year surplus of \$5.6 trillion has been squandered, turned into new debt of over \$3 trillion. Senator Biden made the tough decisions that brought down deficits in the past, and opposed the policies that broke the budget. He knows how to restore fiscal balance to the federal budget and secure vital programs like Social Security.

**Help for workers:** Senator Biden supports American workers, by fighting for their right to organize, working to raise the minimum wage, and voting to protect their health and safety on the job. He wants stronger Unemployment Insurance and Trade Adjustment Assistance to help those hit by trade and a slumping economy.

**Making Social Security healthy again:** We need to fix Social Security, not privatize it. Two decades ago, Senator Biden joined with leaders of both parties to restore balance and set Social Security straight. He knows how to do that again.