

How do you fix the economy?

By Congressman J. Randy Forbes

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Just a few weeks ago, the nonpartisan Congressional Budget Office announced that in just the first ten months of fiscal year 2008, the federal government incurred a \$371 billion deficit - \$213 billion more than a similar period last year. Not surprisingly, the CBO also said that about half of that increase was a result of the \$168 billion economic stimulus package that was passed at the beginning of the year.

When Congress voted on the economic stimulus plan earlier this year, they did so with the stated purpose of reinvigorating our sluggish economy. Unfortunately, this “reinvigoration” came at the expense of our economic future. Since the money used for the economic stimulus was not offset by equal spending cuts, it had to be borrowed, resulting in the increased deficit and causing American taxpayers to carry the economic burden over the long-term. I voted against the economic stimulus for that very reason. In a rush to put together quick solutions for our nation’s biggest challenges, the opportunity to focus on real solutions is being disregarded.

So, how do we fix our economy for the long term?

We have to get government spending under control. Entitlement spending, or spending that takes place automatically every year without new action from Congress, is currently 62 percent of our overall federal budget. The CBO projects that over the next ten years, Medicare, Medicaid, and Social Security spending combined will grow 39 percent after adjusting for inflation and population growth. In order to honor the commitments that have been made to our current seniors and tomorrow’s seniors, we must take the necessary steps to reform and modernize these systems so that they work for us well into the 21st century.

We need to put business back in the hands of America’s entrepreneurs. Right now, unnecessary regulations and high tax burdens on businesses discourage business growth. American businesses must compete with businesses in growing countries like China on an unlevel playing field, since foreign companies are not required to meet similar U.S. regulations. By reducing unnecessary regulations, cutting small business income taxes, and allowing for faster expensing of business equipment, we will encourage productivity, create more jobs, and increase our global edge.

We must increase our global competitiveness. The National Assessment of Educational Progress (NAEP) produced a study showing that the achievement of U.S. students in math and science programs, when compared to other nations, is inconsistent with our role as a leader in scientific innovation. In a global economy driven by technology, we can’t afford to fall behind. We need to place a renewed emphasis on math and science education for our students, so they can maintain our competitive edge as they enter the workforce and eventually become the driving strength behind our economy. We can do this even as we strive to meet our nation’s biggest challenges. Creating a national initiative, like the New Manhattan Project for Energy Independence, will not only release our dependence of

foreign oil, but it will energize a whole host of young people to go into the fields of math and science, just as we did with the Apollo project in the 1960s, establishing our leadership in math and science for decades to come.

Most importantly, we must show leadership in turning around our economy. Members of Congress, the Administration, and individuals in the United States must stand up and refuse to accept short-term gimmicks. We need long term solutions that deliver a fiscally responsible budget and reduce our deficit. If we want a growing, competitive, and healthy economy, we cannot continue to accept temporary fixes at the expense of tomorrow.