

A Vision for Future Economic Security

Published in The Business Journal on February 29, 2008

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by Congresswoman Doris O. Matsui

Every day, more and more Americans are struggling to keep pace with soaring gas prices, grocery prices and health care premiums. This month, Congress passed an economic stimulus package designed to provide much-needed financial relief and help hard-working families avoid the pitfalls of the mortgage crisis. However, it can only be a first step.

It is clear that many Americans are struggling to make ends meet. Sacramento has been particularly hard hit by the mortgage crisis, ranking fifth in the nation in number of foreclosures. We must take decisive action now to shore up our economy in the long-term and secure our nation's prosperity in the future.

At the beginning of this month, President Bush released his proposed budget for Fiscal Year 2009. Even though he claimed he would work in a bipartisan manner in his January State of the Union address, his proposed budget is severely disconnected with the priorities of the American people. That disconnect not only represents the President's misguided agenda but promises to yield detrimental consequences in the years to come-- consequences that will place undue burdens on the American people.

The President's budget proposal would drastically reduce all of these programs just at the time when more Americans will need to rely on them. His budget would slash Medicare by \$556 billion over the next 10 years, fail to fund the children's health program at its current level over the next five years, and result in 100,000 low-income families losing their basic housing support.

As more and more economists come to the conclusion that we are entering into a recession, certain realities are glaringly evident. In times of economic downturn, an increased number of families and individuals fall into financial crisis and are in need of assistance. More and more families and seniors will qualify for aid through initiatives like the State Children's Health Insurance Program, Medicare and Medicaid, and federal housing assistance programs.

These shortfalls would result in a sharp increase in the ranks of the medically uninsured, already a staggering 47 million people nationwide. Under the Bush budget, the burden for funding current basic-needs programs would be shifted to the states even as more and more families seek to enroll in them and as the states become more unlikely to respond.

That is exactly why I believe that we must take action now to invest in the future and long-term economic health of our country.

In the short term, we should provide added support to unemployment and food stamp programs. Injecting money into these systems will give our economy an immediate boost. It also is imperative that we strengthen middle-class families by rolling back the Bush tax cuts and making investments that will benefit our nation in the long-term.

There are significant ways we can do this. The first is to invest in our nation's decaying transportation and infrastructure systems. Our predecessors, from President Eisenhower after World War II to Governor Pat Brown in the 1960s, had the foresight to invest in our country's and state's infrastructure. We now must act to prevent further breakdown in those very critical systems.

Not only will these investments provide support as we stand at the brink of unprecedented population growth, they will create new jobs and provide an injection of vitality into our economy. Public projects have historically created more jobs more quickly than the private sector in times of crisis.

Next, we should enact a state fiscal relief package. Here in California, the state is required to balance its budgets every year. In order to meet this requirement, the weakening economy could force the state to institute program cuts or tax increases in the absence of federal relief. If the state were pushed to take such drastic measures, much of the good accomplished by the temporary economic stimulus package enacted by Congress would be undone.

Last, but certainly not least, we must address the growing expense of health care. Medical costs are spiraling out of control, leading many families towards financial ruin. The federal government must turn its focus to meeting the needs of the elderly and disabled who depend on Medicare, Medicaid, and Social Security. Congress has the duty to restore funding levels for these critical programs. With a responsible budget, we can do that without deficits and debt that would have a long-term negative effect on the economy.

The federal government must get its fiscal house in order. Now is not the time for handing out unaffordable tax breaks and slashing spending for domestic programs as the President suggests. It is time to dig in our heels and have the moral fortitude to make good on our promises to the citizens of the United States of America: to truly work to take this country in a new direction.