

Bill Richardson for President

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## Creating A New American Century Of Prosperity

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Thank you so much for having me here today. I want to talk about our economy -- where we've been and where we're going.

Today, the middle class is under siege by numerous forces. Despite increased productivity, wages have stagnated. The job market for most Americans is thin. Health care and energy costs have skyrocketed. So has the price of a college education. Foreclosures are at their highest in years, and millions of Americans are faced with sinking home values. And the one seemingly bright spot of the Bush years -- the stock market -- is tumbling.

Enormous budget deficits are the rule, not the exception, and our national debt has soared to \$9 trillion dollars. Every year, we spend more than 400 billion dollars just paying the *interest* on our national debt -- that's more than **six times** as much as we spend on the entire Department of Education.

How did we get here?

The story is well known--\$1.1 trillion in tax cuts, far too skewed to help the wealthiest Americans, and runaway spending, have put us deep in the red.

While this President has blamed 9/11 for our deficits, the fact of the matter is that defense and homeland security spending, including all of the hundreds of billions in Iraq, has accounted for only *one third* of the post-9/11 deficits. The Administration's misguided tax and spending priorities account for the rest.

I am a pro-growth Democrat, one who believes our party must stand for policies that encourage innovation and expand economic opportunity.

I strongly believe in cutting taxes responsibly -- tax cuts that help the middle class and tax incentives for creating jobs. The Bush tax cuts, on the other hand, have cost \$1.1 trillion dollars, and resulted in the worst record of job-creation since Herbert Hoover.

This Administration forgot to invest in our future. In his 2006 State of the Union, President Bush shocked the world by admitting that America was "addicted to oil," suggesting that we might see some investment in new energy. *The very next day*, the National Renewable Energy Laboratory announced that the White House had cut its budget by \$28 million. How can we expect an Administration that couldn't even plan its own politics a day ahead, to lead our nation toward a better future for our children?

The Administration failed to protect the engine of our economy -- the middle class. Productivity is up, yet real wages are down. American workers are holding up their end of the deal, but their government is not.

While President Bush was railing against the axis of evil abroad, he was governing across an axis of irresponsibility here at home: failure to be fiscally responsible, failure to invest in the future, failure to protect working Americans.

Now we are saddled with a budget deficit they ignore and foreign debt they don't want to talk about.

President Bush hasn't leveled with us about our nation's fiscal health since 2001.

Frankly, the President is acting like a spoiled teenager who crashes the family car and then hopes no one will notice.

Well, Mr. President, we have noticed. And the American government needs to stop breaking what the American family has built.

My friends, it is time we take our future back.

## **FISCAL RESPONSIBILITY**

The first thing we have to do is get out of our fiscal nightmare.

That starts with a balanced budget. As a Governor, I *have* to balance my state's budget. I have balanced five budgets, and I have done it while cutting taxes and investing in our people and our infrastructure.

Balancing the budget is investing in the future. It means that we are paying for what we get today, so our children don't have to. And that's why I support a Constitutional Amendment to balance the budget; this amendment must also provide for a line-item veto. We've allowed Republicans to spend recklessly for too long. Our children should have the right to be free from the extraordinary debts run up by their parents.

Ultimately, there is no choice between fiscal responsibility and fiscal prosperity. As we saw under the Clinton Administration, you can't have one without the other.

The road to fiscal responsibility should begin with ending the war and getting all of our troops out of Iraq. All of them.

It is the right thing to do for our fighting men and women; it is the right thing to do for our national defense; and it is the right thing to do for our economic security.

We spend over a hundred billion dollars a year hunkered down in a country that doesn't want us there, fighting a war that won't make us safer.

### **We want that money back.**

Second, we need to end waste here at home. No more pork-barrel spending. No more thousand-dollar toasters, no more Bridges to Nowhere. The federal budget isn't a politician's piggy-bank.

Eliminating earmarks will save us at least \$40 billion over the next five years.

### **We want that money back.**

Third, we need to slash corporate welfare. In 2006 alone, American taxpayers shelled out 92 billion dollars to corporations. It just doesn't make sense.

In the 1980's, President Reagan liked to talk about the "welfare queen" who bilked the government out of eight thousand dollars.

Well we've got welfare queens today -- they're called Halliburton and Exxon/Mobil. And trust me, they're getting more than eight thousand dollars.

If we cut even half of our spending on corporate welfare, Americans will save some 230 billion dollars over the next five years.

### **We want that money back.**

We should also stop tax cuts for individuals who don't need them. When I am President we will roll back the Bush tax cuts for the wealthiest, which will save us hundreds of billions of dollars over the next five years.

Instead, we'll cut taxes to create jobs and help the middle class.

We will have a tax credit for companies that create jobs here in America and pay above the prevailing wage. I've done it in New Mexico and it works. We have to stop giving companies incentives to send our jobs abroad. We need American businesses to keep American jobs here.

We will provide strong tax incentives to promote renewable energy because we need a new generation of energy entrepreneurs. We need new wildcatters to tap the power of wind, solar, and biofuel. The energy crisis will only be solved by the efforts of enterprising individuals, but government must push the effort forward.

We will eliminate the Alternative Minimum Tax for the middle class. When the President claims he's going to balance the budget, he intends to do it on the backs of millions of middle class families, by forcing them to pay a tax they were never supposed to. We need to right this unintended wrong.

Instead of forcing the middle class to pay new taxes, we will extend the tax cuts for the middle class.

When I am President, we will have a tax system that reflects our belief in hard work and our hope for a better

tomorrow.

Once we've repaired the foundations of our economy, we need to start building for the future.

## **INVESTING IN TECHNOLOGY AND INNOVATION**

America has always been the world's greatest purveyor of ingenuity and innovation. More than Cokes and Hershey bars, cars and computers, the world knows us as the preeminent seller of progress and hope.

Historically, our technological prowess has been unmatched. That is no accident. Because we value science -- because we have invested in knowledge and education -- we have led technological change.

Today, however, our strategic competitors, like China, are catching up. Again, this is no accident. Nor is it inevitable. They are catching up because they are succeeding where we have in the past, but are not today.

They are investing heavily in math and science education; we are not. They are investing heavily in scientific research; we are cutting back.

There is no doubt that this coming century will bring technological progress we can't imagine today. Eminent scientists in labs and universities and unknown kids tinkering in their garages will guide us to the frontiers of discovery. This **will** happen.

The question we have to ask ourselves is: do we want those garages to be in China or right here in Iowa. Do we want our nation's universities just *teaching* new knowledge, or *discovering* it?

There is only one choice. As a nation, we have never turned our back on tomorrow. The search for new frontiers and the hope that we can improve is far too ingrained in our national DNA. If we do not embrace progress now, and invest in the future, though our borders will not have changed, we will not be the same nation.

George Bush and his right wing allies talk about protecting the "free market economy" to justify their failed policies. And then they attack Democrats as big taxers and over-regulators. This tired rhetoric is holding us back.

The Government must honor the private sector and American entrepreneurship -- while working with investors and partnering with our entrepreneurs. This is how it has always been. The Government started the internet, and the private sector improved and expanded it into one of the cornerstones of our economy.

In a 21st Century economy, Government must act as a catalyst and a partner to help unleash the innovation and the job creation potential of the private sector.

We're all in this together.

When I am President, here is how we will keep this country moving forward.

First, we will restore and increase funding for federal research and development programs. If we are serious about science, then we should be serious about funding it.

In particular, we should increase funding to the National Institutes of Health, so the next generation doesn't have to suffer the same diseases as this one.

We need to increase funding to government renewable energy programs. Even George Bush has acknowledged that we are addicted to oil. But, look, acknowledging your addiction is the first step to recovery. Not the last.

Historically, New Mexico has been one of the poorest states in the nation, yet we are funding a stem cell research center, and we are innovators in clean energy. We should be able to do the same in the richest nation in the world.

We need to connect people. We should weave our nation's wealth of knowledge, capital, and talent into a Web of Innovation that can catch new technologies. We all believe in a better economy and we should not be afraid to work together.

I will start by convening regional Innovation Summits where experts from business and venture capital, academia and government can come together to turn ideas into realities. We must come together to spark real growth, real innovation and real change. It takes leadership on jobs and innovation -- I will lead our country just as I have led New Mexico.

I will create a federal Angel Investor Tax Credit and I will make permanent and double the Research and Experimentation Tax Credit. We must provide incentives for investment and experimentation in high-tech research and manufacturing. For our economy to get the oxygen it needs breathe, we must grow the trees of technology. And that requires planting the seeds of investment.

We have the Angel Investor Tax Credit in New Mexico for high-tech startups that are creating the jobs of the future. And its working.

It works because it is quintessentially American.

We are a nation of risk-takers. We admire the great Americans who throw themselves into an idea because they believe it is the best idea -- because they believe it is the precious spark of a better future.

It is this determination -- this strength of will -- that produced the light bulb, the car, the computer.

I believe that if we are to continue our economic and innovative success, we need to reward that great American spirit.

And we must also support innovation in our young people. The first point in the Web of Innovation must be our students. Because the next generation of technology means nothing, unless the next generation of Americans knows how to use it.

Yet, today, we rank 28th in the world in math and science education. China and India produce far more engineers than we do. This is unacceptable and irresponsible.

Despite the overwhelming focus of the popular media, the true foreign threat to American job security doesn't come from uneducated, low-wage workers from poor countries. It comes from highly-educated middle-class workers from these emerging economic giants. We must act now.

We must build 250 Math, Science, and Innovation Academies by 2012. These Academies will offer rigorous math and science instruction, free of charge, to seventh-through-twelfth graders who want it. They will train the next wave of American engineers, mathematicians, scientists and teachers.

It's a simple equation -- talented math and science teachers lead to inspired and successful math and science students. When I am President, I will commit to hiring one-hundred-thousand new math and science teachers to guarantee that our children and our nation are competitive in the world. The key to economic progress is education, and the key to education is a good teacher in the classroom.

Hiring these teachers will cost us three to four billion dollars -- that is less than **one one-hundreth** the amount we pay in **interest** on our national debt. It is a small price to pay for a competitive future.

If we want to speak the language of progress, our kids must be fluent in science and math.

## INVESTING IN PEOPLE

While we build for the future and repair the damage of the past, we must also invest in our people now.

We need to move aggressively to create high-quality jobs and expand economic opportunity. The American Dream has always been big -- big enough for all of us. But for too many these days, the dream is shrinking and shutting them out. That is unacceptable -- every American deserves the opportunity to succeed.

We need to get back to big dreams and big ideas.

If we want more quality jobs, we should give companies incentives to create them. I will offer rebates for businesses that hire disadvantaged children in high school and college. I will create a rural jobs tax credit for companies that create jobs in rural areas and a tax credit for businesses that create manufacturing jobs.

I will also provide tax credits to support new businesses in emerging technologies and in low-income areas.

I will quadruple the energy tax credit for green jobs -- jobs that are good for the the American worker and the American environment. Just as much as computer programmers and engineers, energy-efficient sheet metal workers, plumbers, electricians, and masons are the key to our economic future.

I will lead an Apollo program for renewable energy, green buildings, and energy efficiency. This is the high technology of the future and America must lead it.

I agree with the Apollo Alliance on this issue. Green building is good for the environment, it's good for our workers and it's good for our energy bills -- no wonder the Bush administration is against it.

The Government must not only lead the way on a new generation of green buildings, but we must also encourage retrofitting our existing businesses.

And, instead of building bridges to nowhere, we need to look at our critical infrastructure -- our bridges, roads, transportation that lead our people to work everyday.

A public/private partnership, with union involvement, on green building and revitalizing America's infrastructure, will create more high-paying jobs for workers right here in Cedar Rapids. Right here at IBEW Local 405.

We need tax and job policies that work. I've shaped effective tax policies in New Mexico that have created over 80,000 jobs, driven unemployment to 3.2% -- a historic low -- and lifted personal income. I know how to get our economy working for all Americans.

In addition to creating new quality jobs, we need to preserve the ones we already have. We should restore America's focus on protecting our labor force.

First of all, let me say that I will be a friend to working Americans 'till the day I die. One of my first acts as Governor was to reinstate collective bargaining for public employees in New Mexico. We then dramatically increased health benefits and salaries. We raised our teacher's salaries from 46th to 29th in the nation. I fought hard to raise the minimum wage in my state, and I have improved worker safety.

As President, my Secretary of Labor will be a union member.

As President, I will protect the right to collective bargaining and the right to form unions. I will strongly support the Employee Free Choice Act. How can we as a nation ask American workers to help protect our future, if we don't allow them to protect theirs?

When I am President, we will improve all workers' safety. President Bush has spent the past six years eroding safety regulations and endangering our workforce. How do we expect our economy to grow if its workers aren't safe?

And, I will index the minimum wage to inflation. The minimum wage is not just some number; it is a reality for many American families. I believe a fair day's work deserves a fair day's pay, *period*. How can we even begin to build responsibility, fairness, and a new American dream if we are not strong enough to honor this basic principle?

We must also move beyond the debate over "Free Trade" versus "Protectionism." Instead we must roll up our sleeves and pursue better trade agreements; agreements that enhance rather than erode U.S. jobs, and that are socially just, environmentally responsible and politically sustainable.

We also need to help families with the rising cost of living. Expenses for health care, child care, and a college education are rising faster than wages and our next President must focus on making these more affordable.

Our national strength is our people, and we must do whatever it takes to protect that resource.

## CONCLUSION

There is no doubt that we face serious challenges, not the least of which is a President who refuses to face up to them. We are falling behind China in math and science, while we run up a national debt, **much of which is owned by that very country.**

When President Bush says he's increased education funding, he's right. He's increased education funding in China, in India, and every other nation that owns our debt. Right now, we are effectively paying the world to surpass us technologically. That's just not right.

We face great challenges, but we are the greatest nation in the history of the world, and our government needs to start acting like it.

We need to get back to big American dreams. We need to get back to the forward-looking nation that searched out new frontiers.

At the turn of the 19th century, we were a handful of states huddled along the East Coast. By the end of that century, our nation spanned the continent. Americans rode out West on horses and drove back in cars.

Our nation is more than a piece of land or a set of laws.

America is the belief that tomorrow can be better than today.

And united we can do it.

Together, we can restore fiscal discipline to our government.

Together, we can be the catalyst for innovation.

Together, we can keep America's promise to its middle class workers

A strong economy is the engine of everything that America does and everything we want this country to be. I've got the record. I've got the experience and I'm ready to meet the challenge being issued by our economic competitors.

Thank you.

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<http://www.cbpp.org/9-27-06tax.htm>

From the Senate Democratic Communications Center's *Report on the State of the Union: The Middle Class*. 19 Jan 2007. Bureau of Labor Statistics, 1/5/07; Joint Economic Committee Democrats, 1/07; Economic Policy Institute, *The Boom That Wasn't*, 12/19/05.

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Stephen Slivinski, CATO Institute. "The Corporate Welfare State: How the Federal Government Subsidizes U.S. Businesses." Kiplinger Business Resource Center Website, July 2007.

"The Mendacity Index: Which President Told the Biggest Woppers, You Decide." Washington Monthly. September 2003. <http://www.washingtonmonthly.com/features/2003/0309.mendacity-index.html>

If the National Commission cuts even half of the expected corporate welfare between 2008 and 2012, it will save Americans some \$230 billion. Just some of the potential cuts include:

For these Academies to succeed, of course, they will require more than bricks and mortar. They will require competent, effective teachers. That is why, as President, Bill Richardson will fund the hiring of 100,000 new math and science teachers. While this will cost between \$3 and \$4 billion, it is a small price to pay to guarantee our competitive edge as a nation.

"Local Area Unemployment Statistics: Current Unemployment Rates for States and Historical Highs/Lows," U.S. Department of Labor: Bureau of Labor Statistics. 14 August 2007. <http://www.bls.gov/web/lauhsthl.htm>

"Senate 2007 Hearings Packet: U.S. Trade Deficit." United States Senate. [www.Senate.gov](http://www.Senate.gov). Available at: <[www.senate.gov/~budget/democratic/charts/2007/Hearings/packet\\_Curr%20AcctDefForDebt020107.pdf](http://www.senate.gov/~budget/democratic/charts/2007/Hearings/packet_Curr%20AcctDefForDebt020107.pdf)>. China holds \$346 billion of the U.S. foreign debt.

