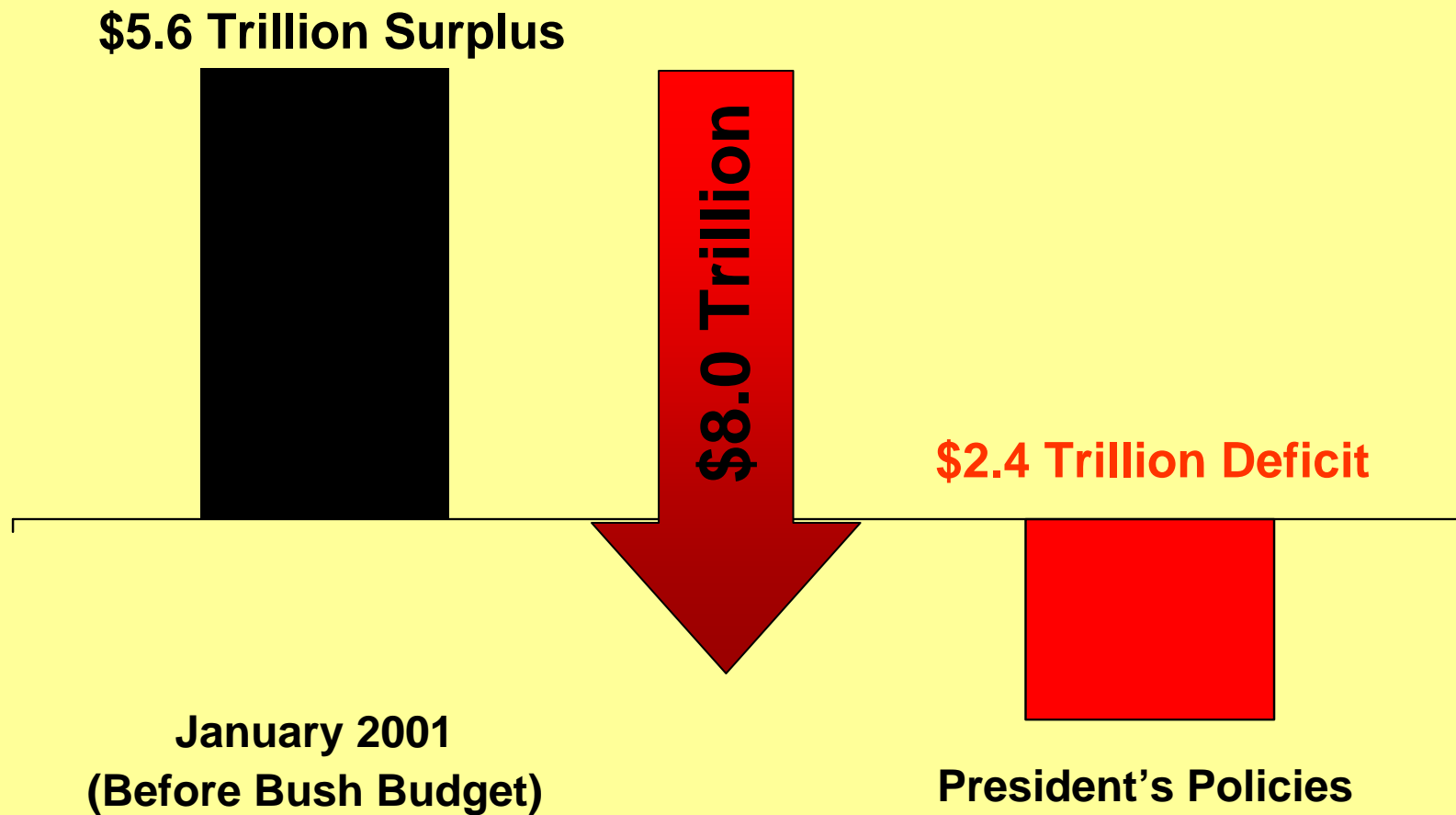
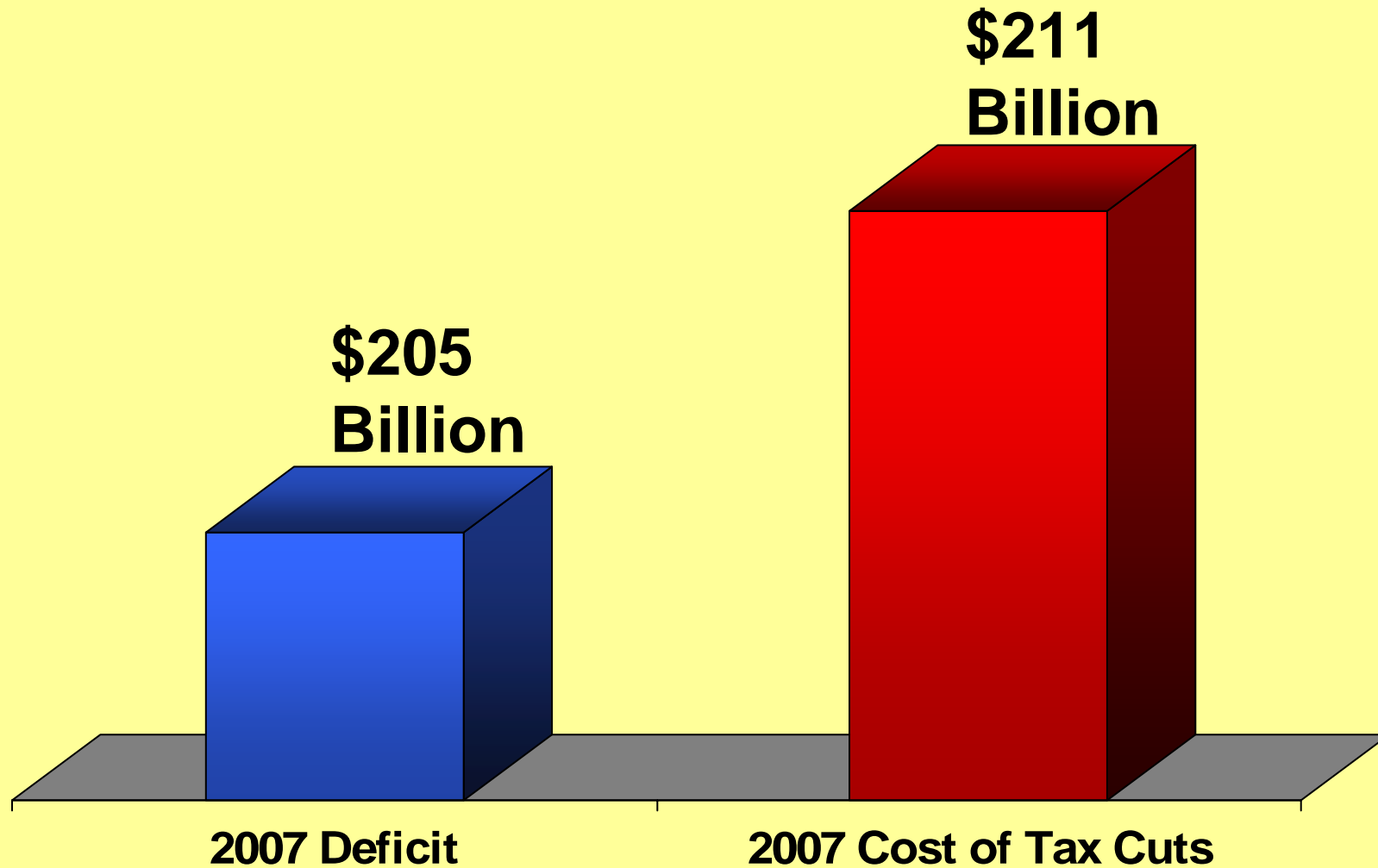


Surplus Declines \$8.0 Trillion Under President's Policies

Total Surplus/Deficit 2002-2011



Bush Tax Cuts Larger Than FY2007 Deficit



Source: OMB for deficit; CBO and JCT for tax cuts

7/24/07

Future War Costs: CBO Calculates Between \$924 Billion and \$1 Trillion

Budget Authority in Billions of Dollars

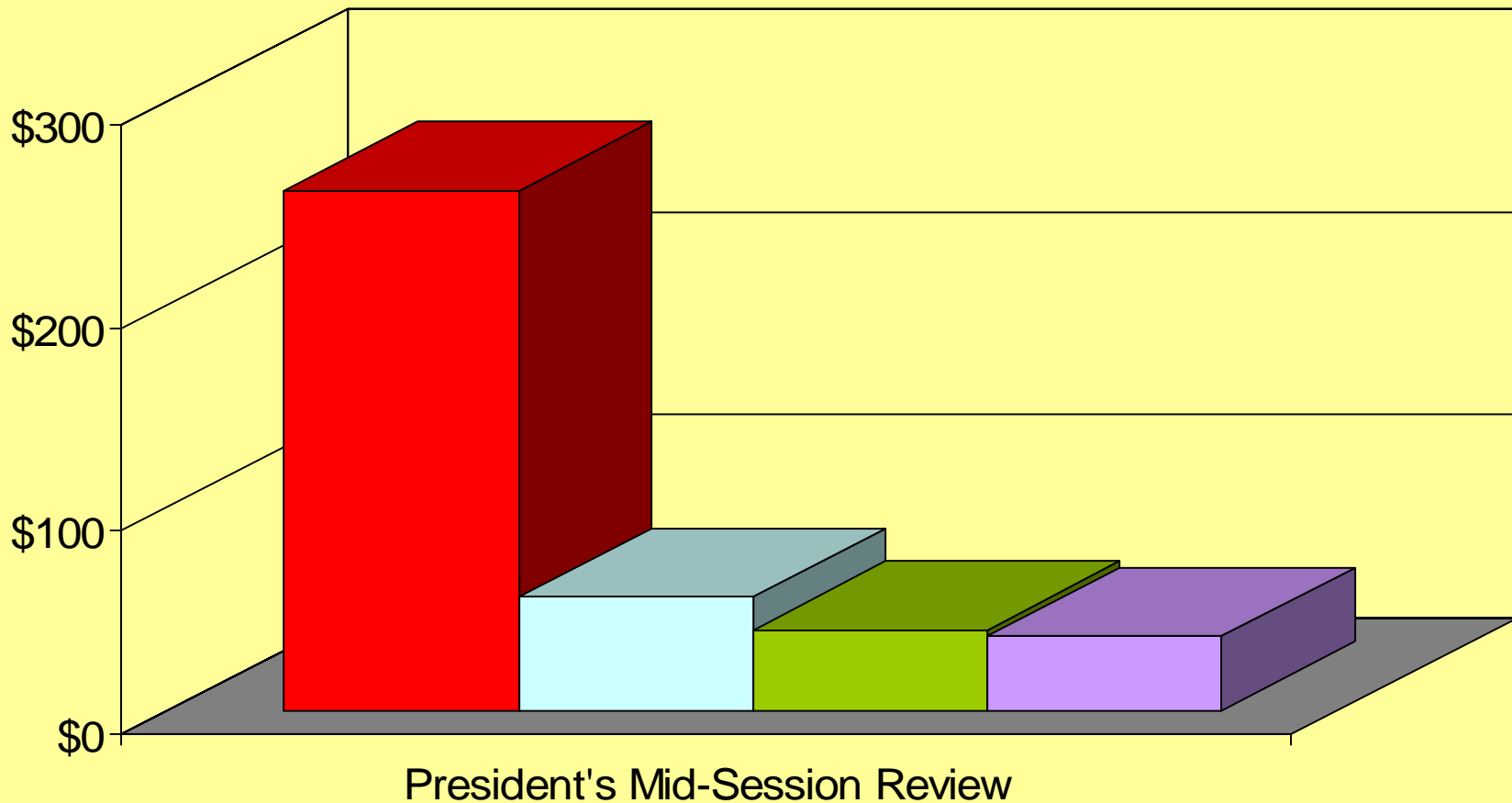
	<u>2008-2017</u>
Military Operations	845 - 931
Indigenous Security Forces	50
Foreign Aid and Diplomacy	16
Veterans Services	13
<hr/> Total	924 - 1,010

Assumes deployed troop levels reduce to 75,000 in Iraq and Afghanistan theater by 2013 and remain. The low-end estimate assumes the troop “surge” in Iraq lasts 4 months; the high-end estimate assumes it lasts 24 months.



Interest Payments on Debt Dwarf Other Priorities

2008 Budget Authority in Billions



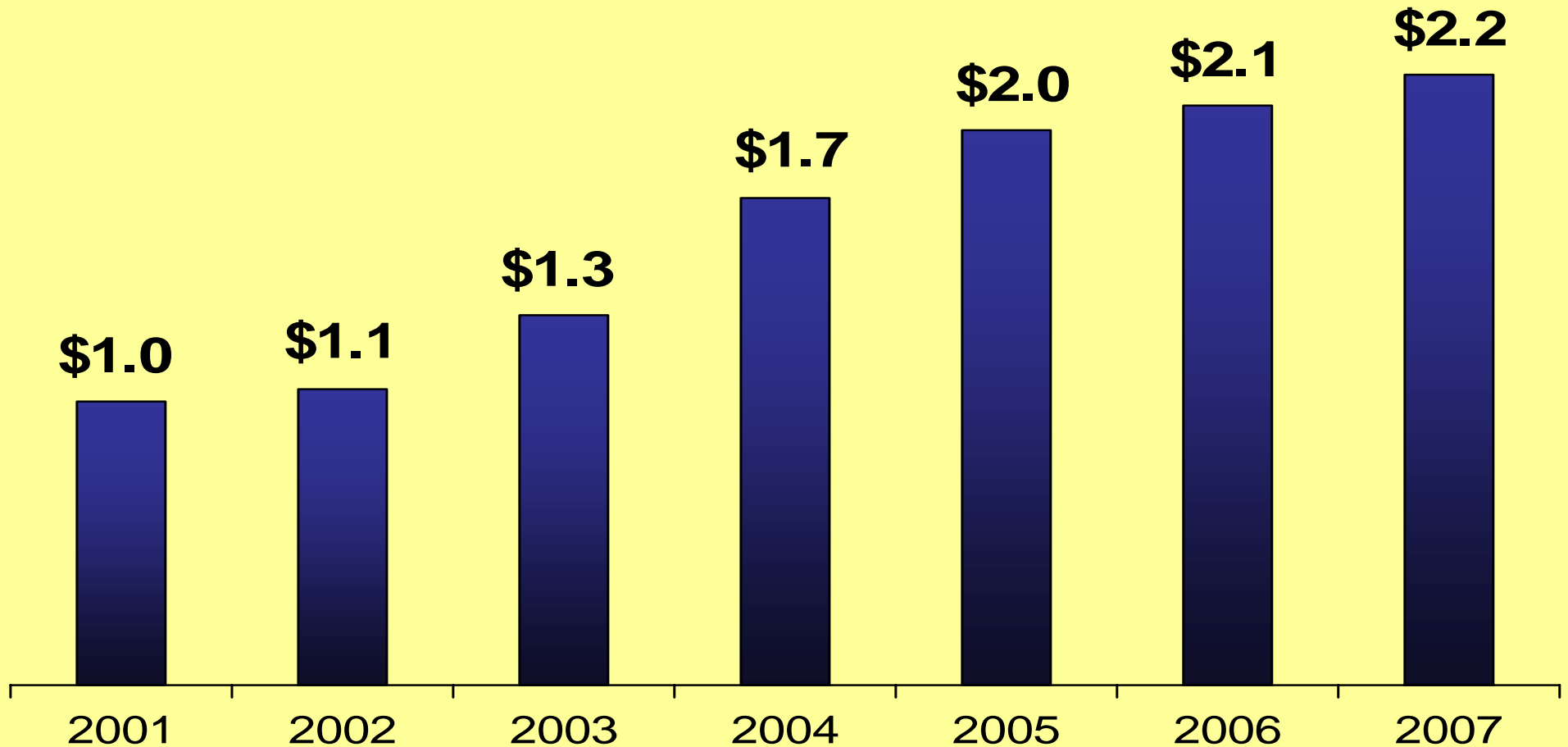
■ Net Interest ■ Education ■ Veterans ■ Homeland Security

Education, Veterans and Homeland Security are Discretionary Budget Authority Only



Amount of Foreign-Held Treasury Securities More Than Doubles Under this Administration

Trillions of Nominal Dollars

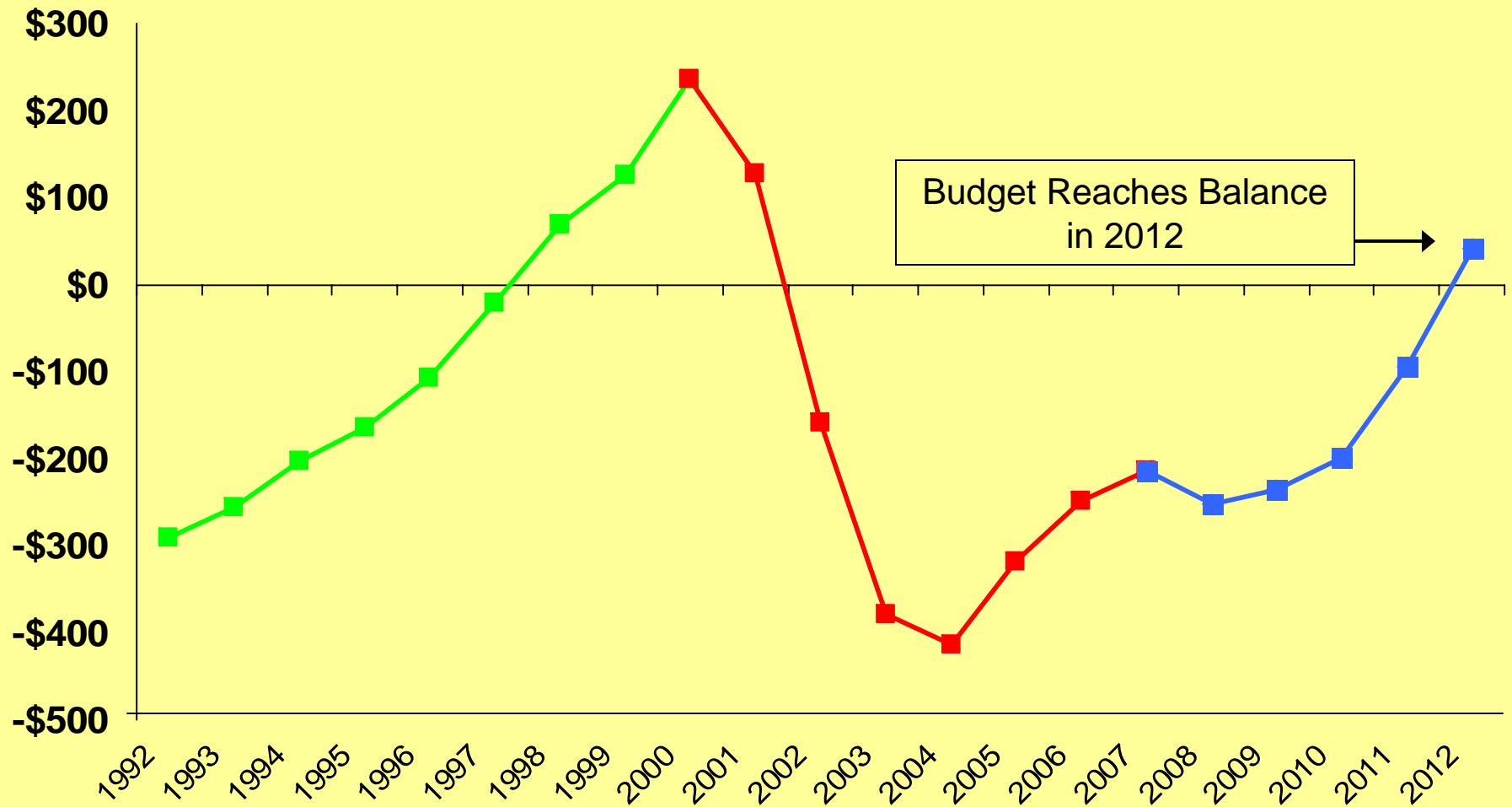


HBC Annual totals calculated in May of each year

7/17/2007

Democratic Budget Returns to Balance

(Deficits and Surpluses, in Billions of Dollars)



■ Clinton

■ Bush

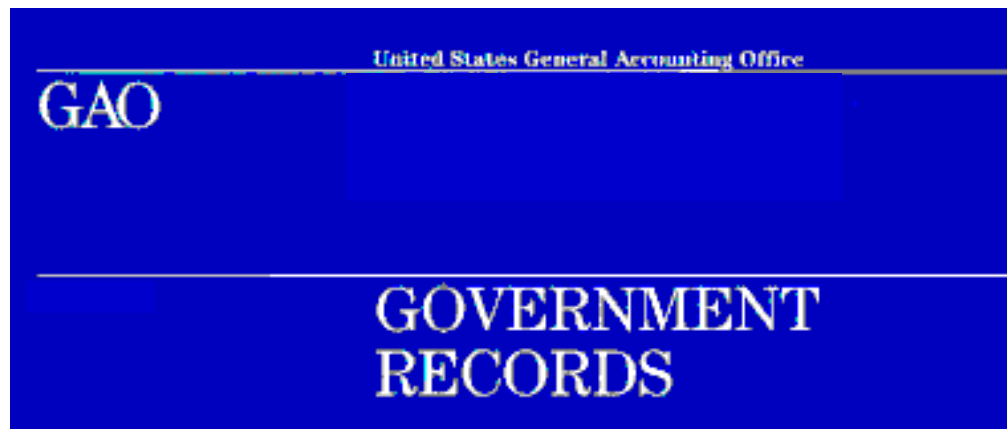
■ Democratic Budget



Making Government Efficient & Accountable

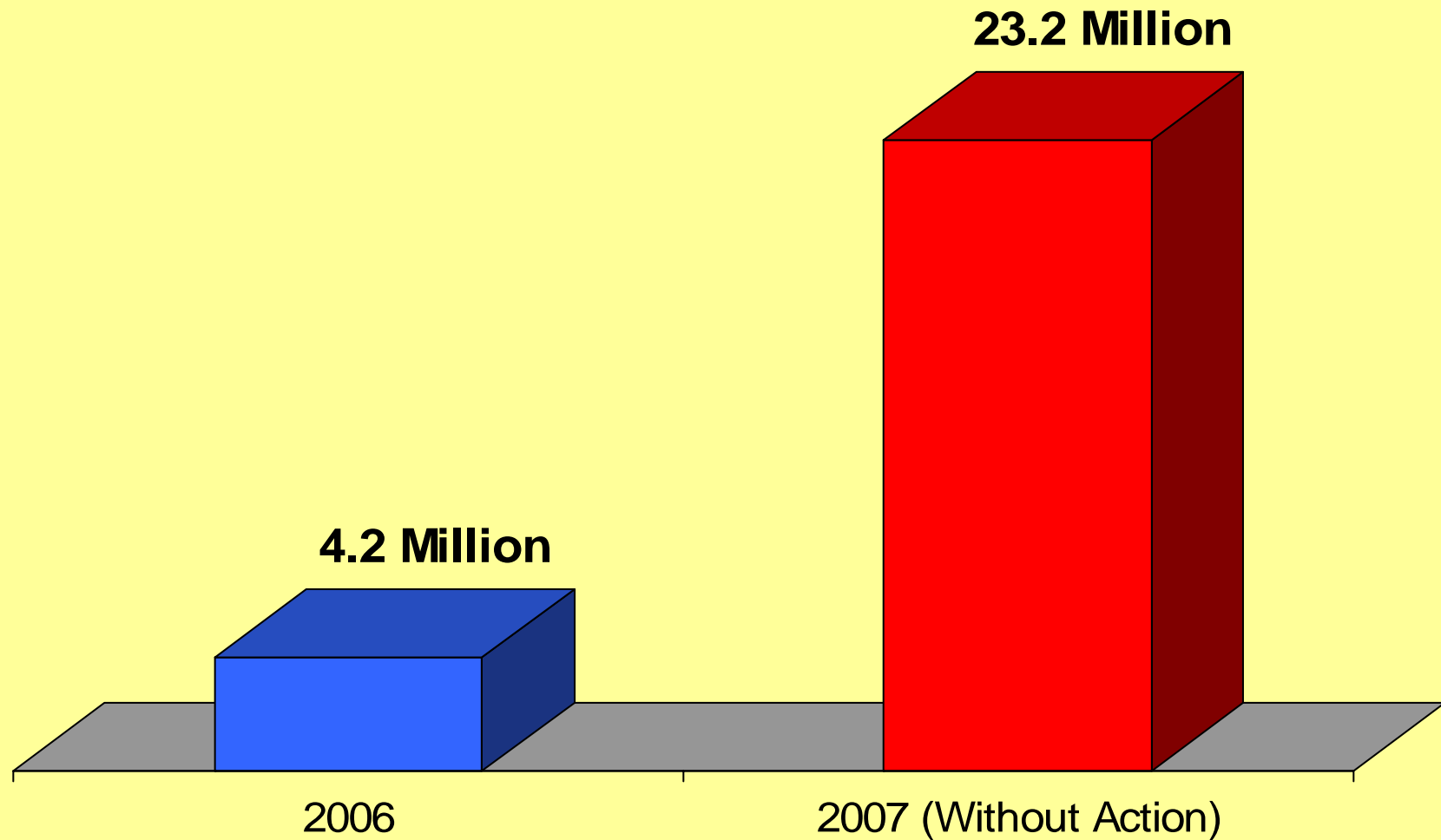
The 2008 Budget:

- Achieves surplus by 2012, thereby reducing interest payments
- Includes initiatives to crack down on wasteful spending
- Accommodates efforts to close the \$300 billion tax gap
- Provides resources to reduce backlogs in veterans' and Social Security disability claims



Democratic Budget Protects 19 Million Families From Tax Increase

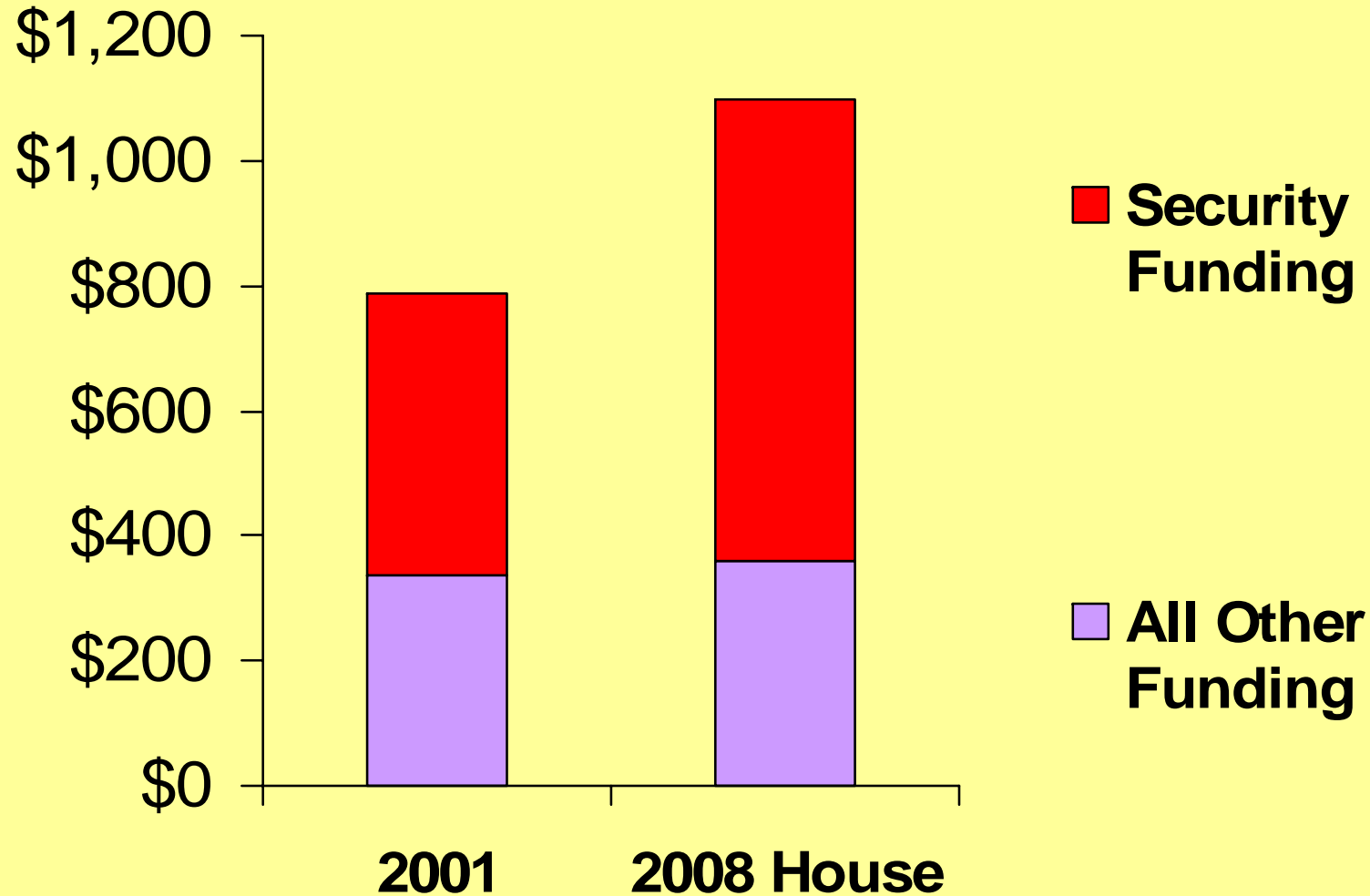
Number of Families Paying the Alternative Minimum Tax



Source: JCT
3/12/2007

Discretionary Growth is Mostly for Security

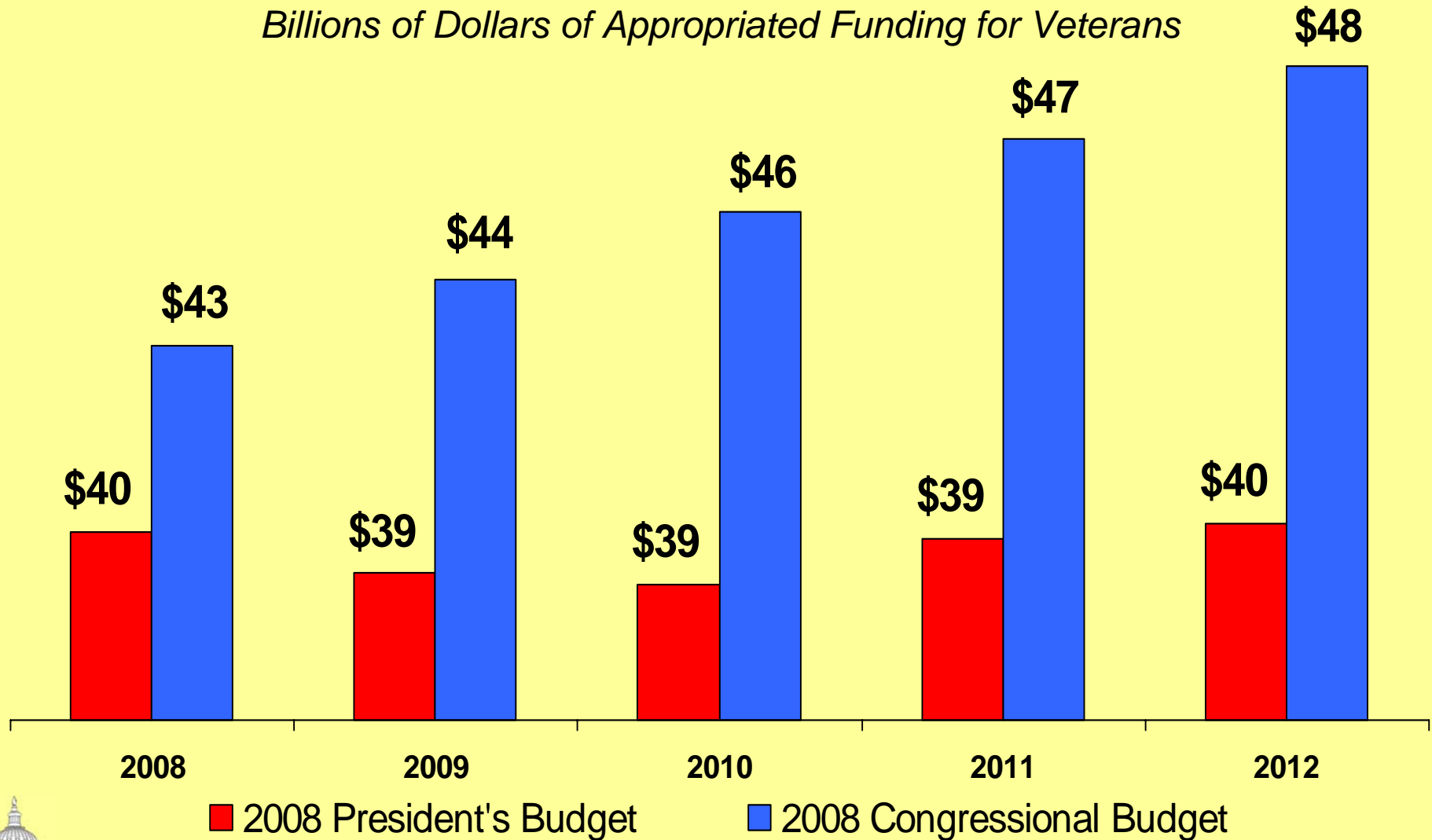
2008 Constant Dollars in Billions



Security is defense (Including 2008 emergency of \$145 billion), military/veterans, homeland security, state/foreign operations

Democrats Provide Highest Ever Veterans Funding

Billions of Dollars of Appropriated Funding for Veterans



Source: OMB and CBO

6/25/2007