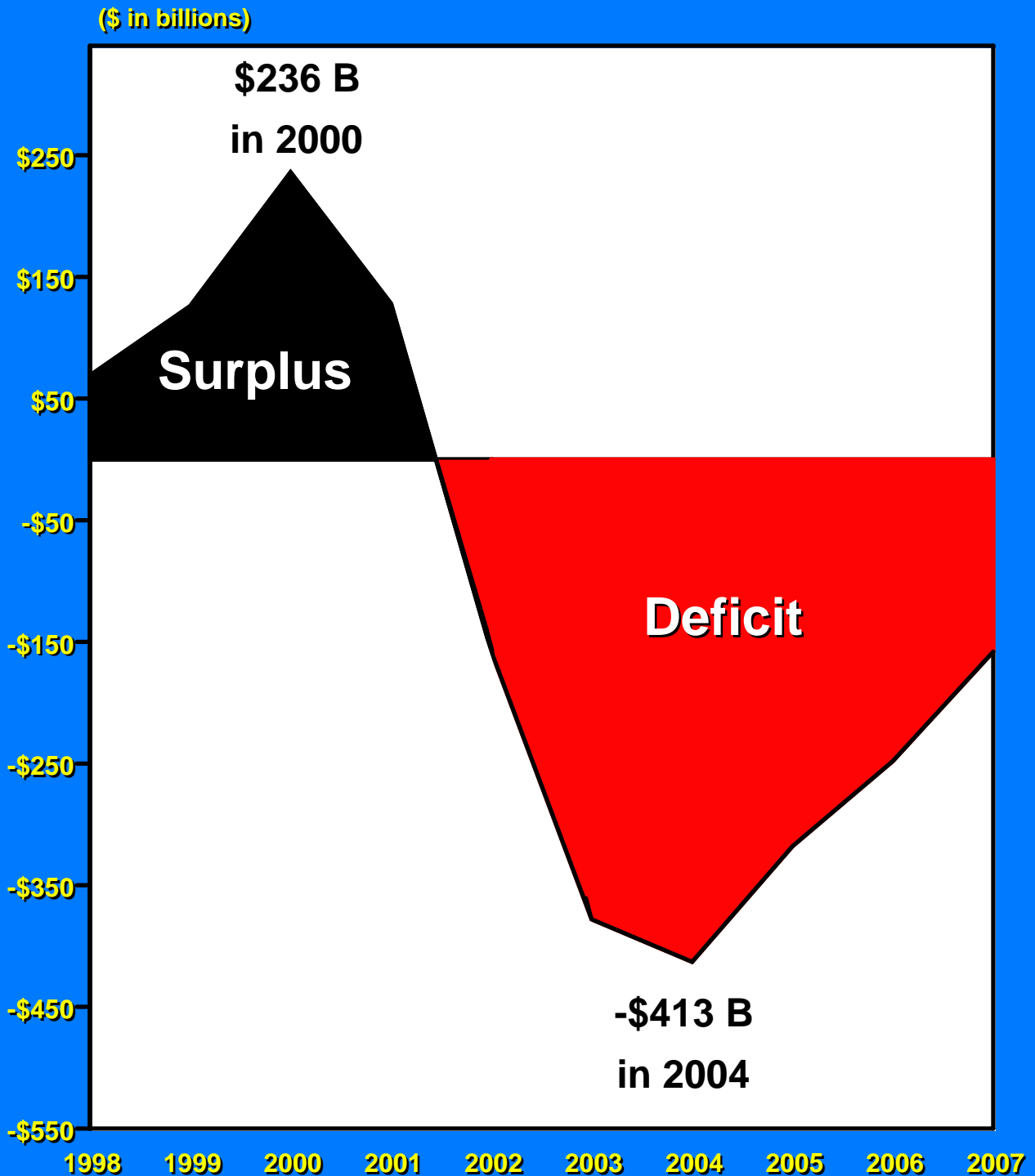
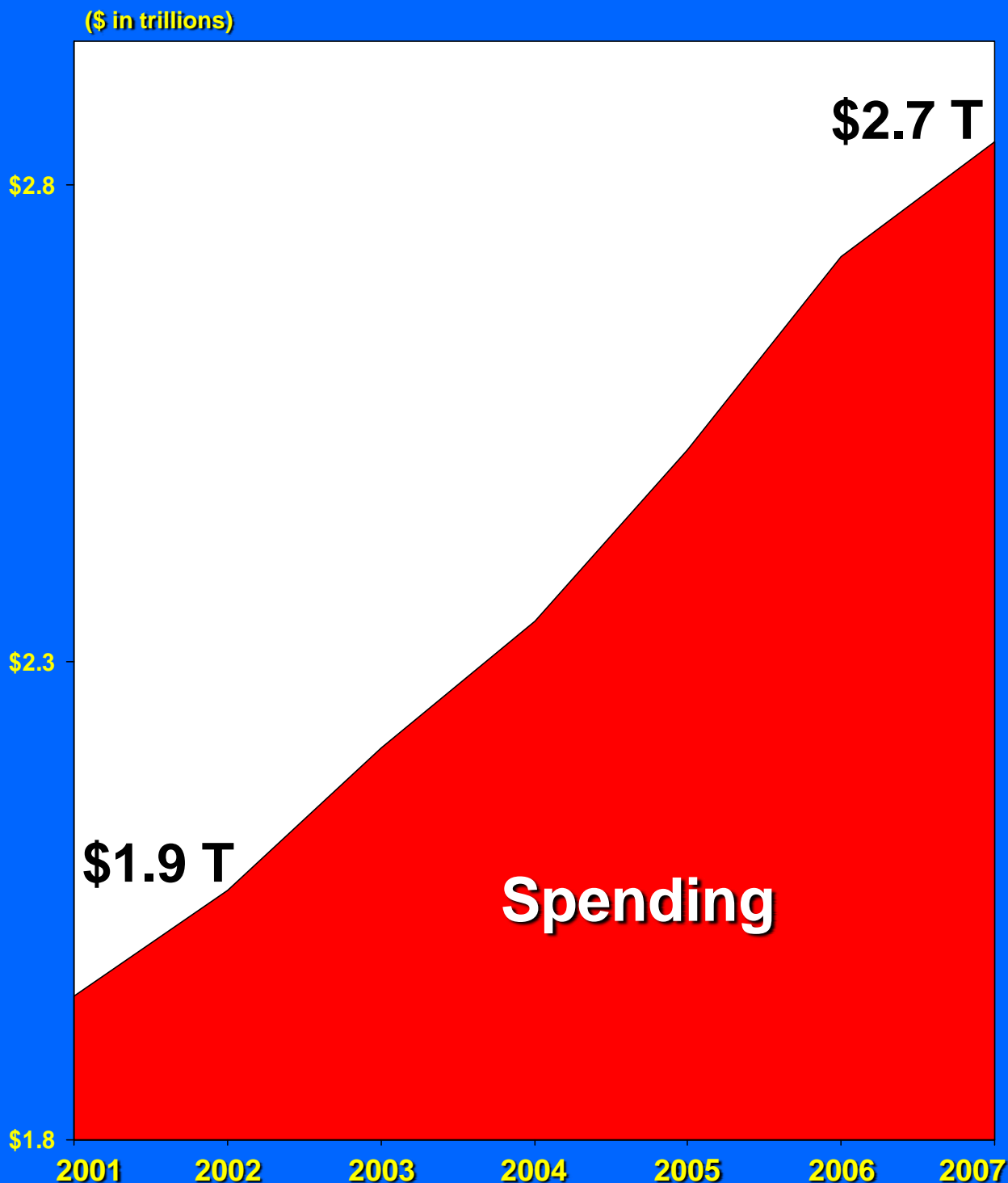


Dramatic Deterioration in Budget Picture Under Bush Policies



Source: CBO

Spending Increases Almost 50% Under Bush Administration

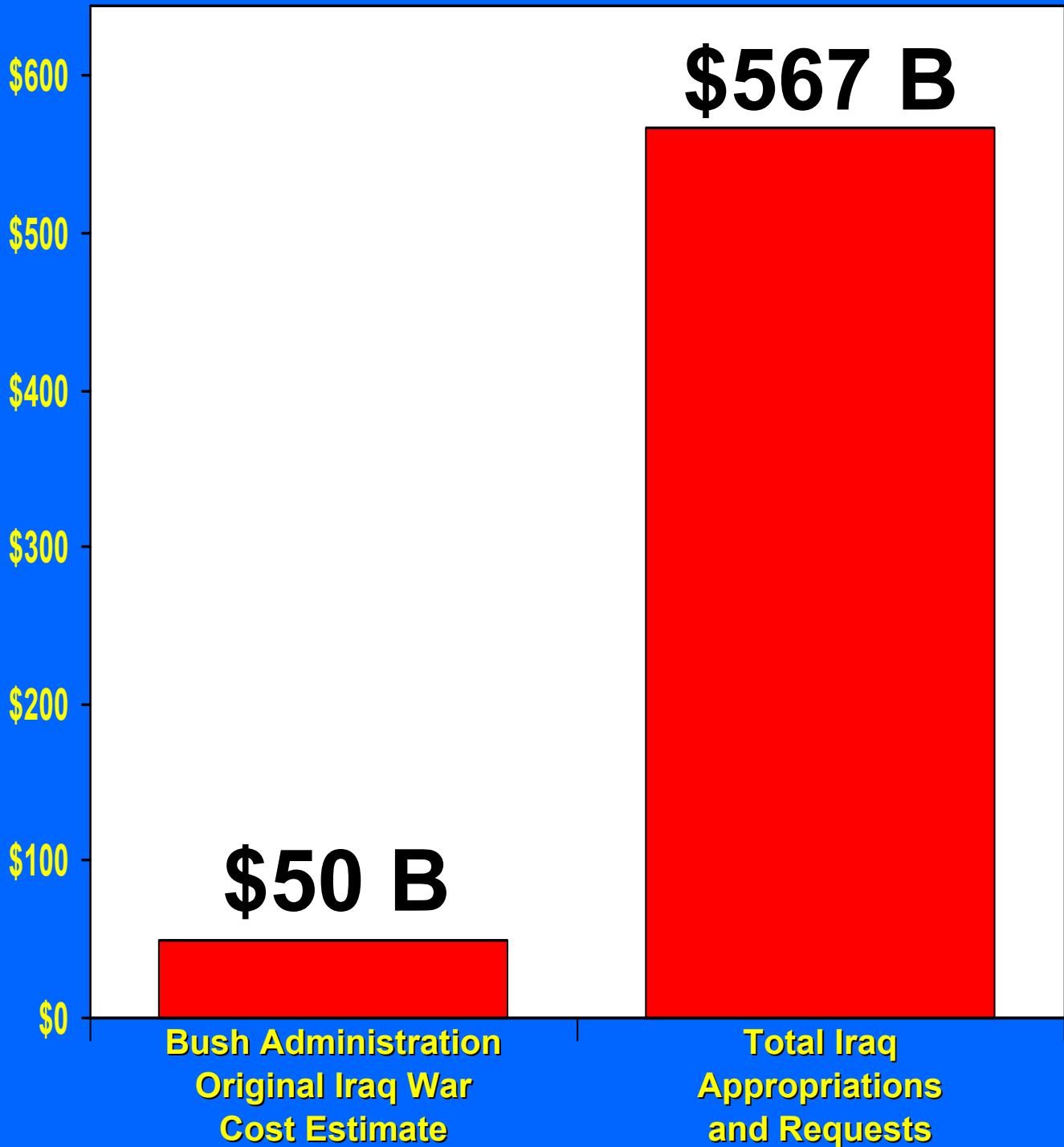


Source: CBO

Note: Spending totals are outlays.

Iraq War Costs Exceed Half a Trillion Dollars

(\$ in billions)



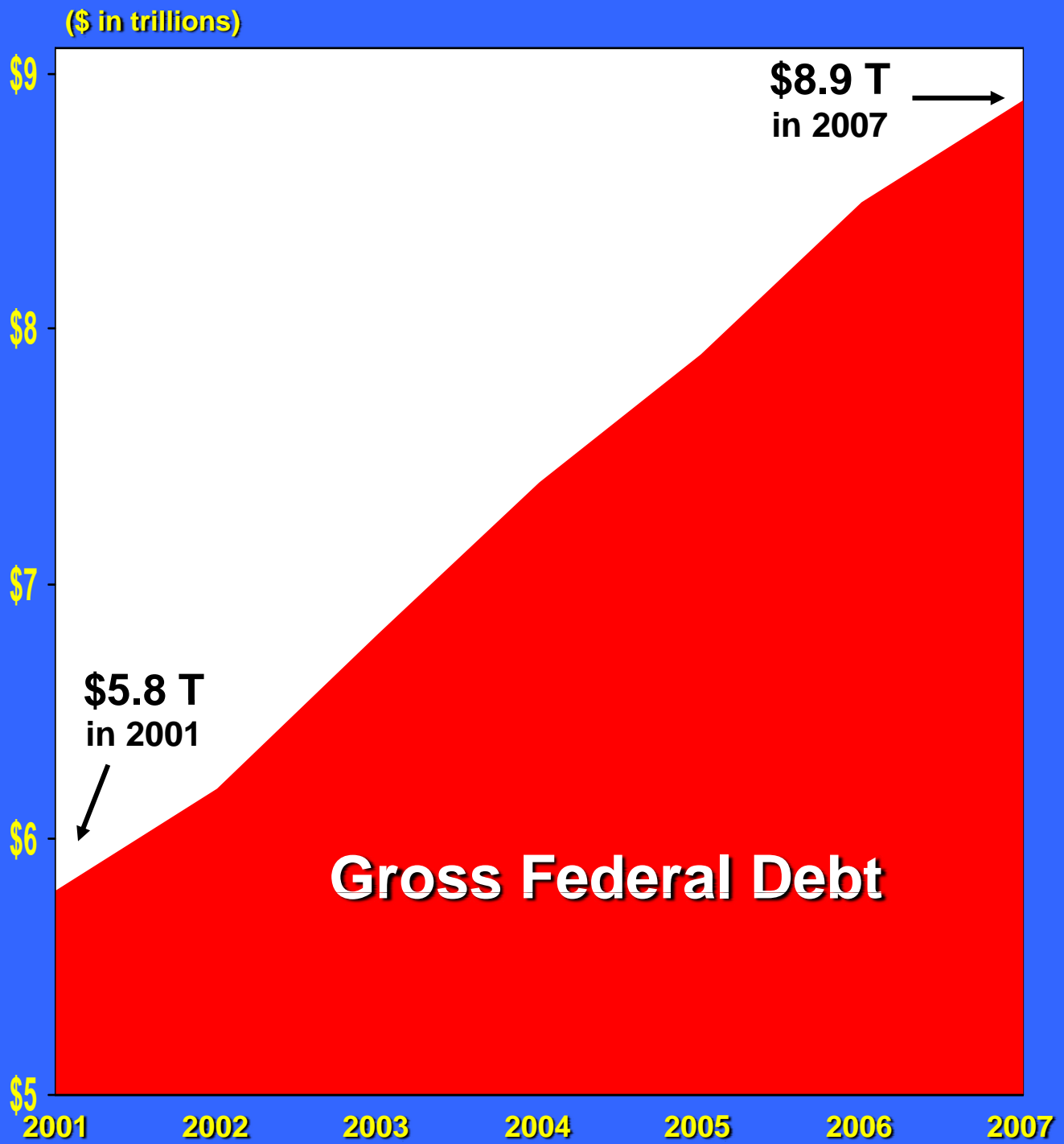
Real Revenues Have Been Flat Only Recently Exceeding 2000 Level



Source: OMB, CBO

Note: 2007 estimate in CBO August 2007 Budget Update.

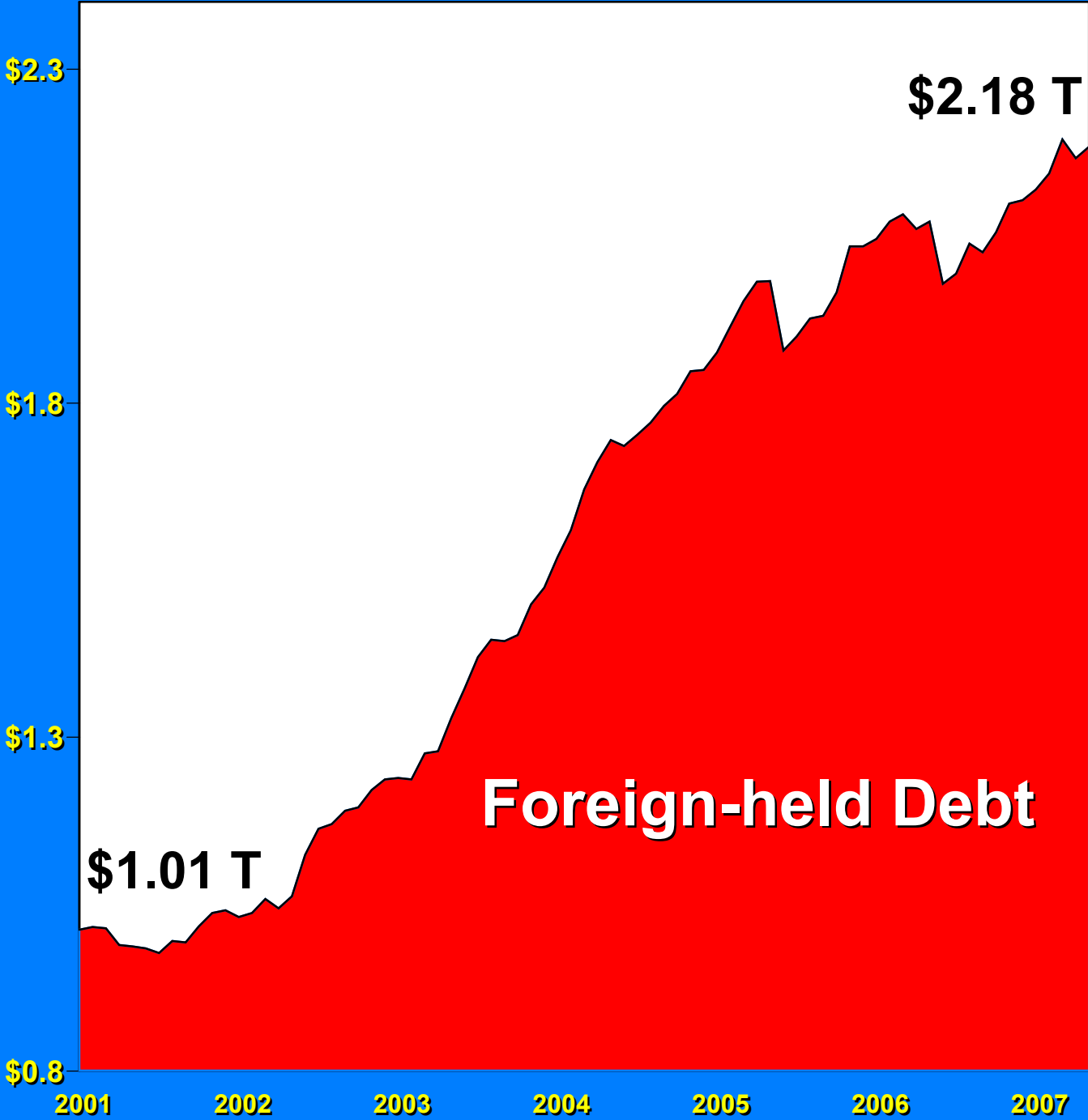
Federal Debt Soars Under Bush Administration



Source: OMB, CBO

Debt Held by Foreigners Soars Under Bush Administration

(Foreign holdings of U.S. public debt, \$ in trillions)



Source: Treasury Department

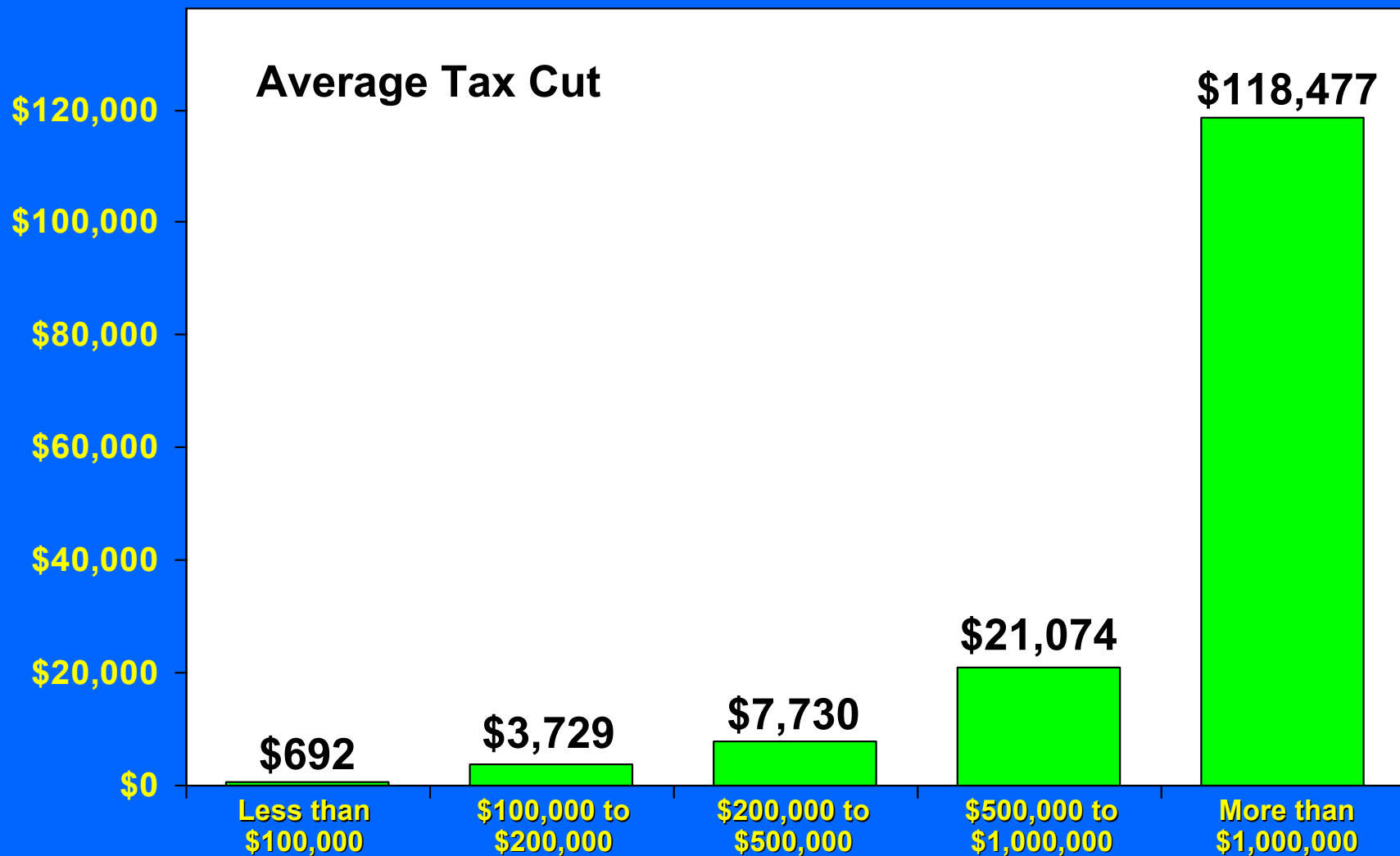
Top Ten Foreign Holders of Our National Debt

| | |
|---------------------------|---------|
| Japan | \$612 B |
| China | \$405 B |
| United Kingdom | \$190 B |
| “Oil Exporters” | \$122 B |
| Brazil | \$94 B |
| Luxembourg | \$62 B |
| Hong Kong | \$60 B |
| Taiwan | \$58 B |
| South Korea | \$50 B |
| Caribbean Banking Centers | \$49 B |

Source: Department of Treasury

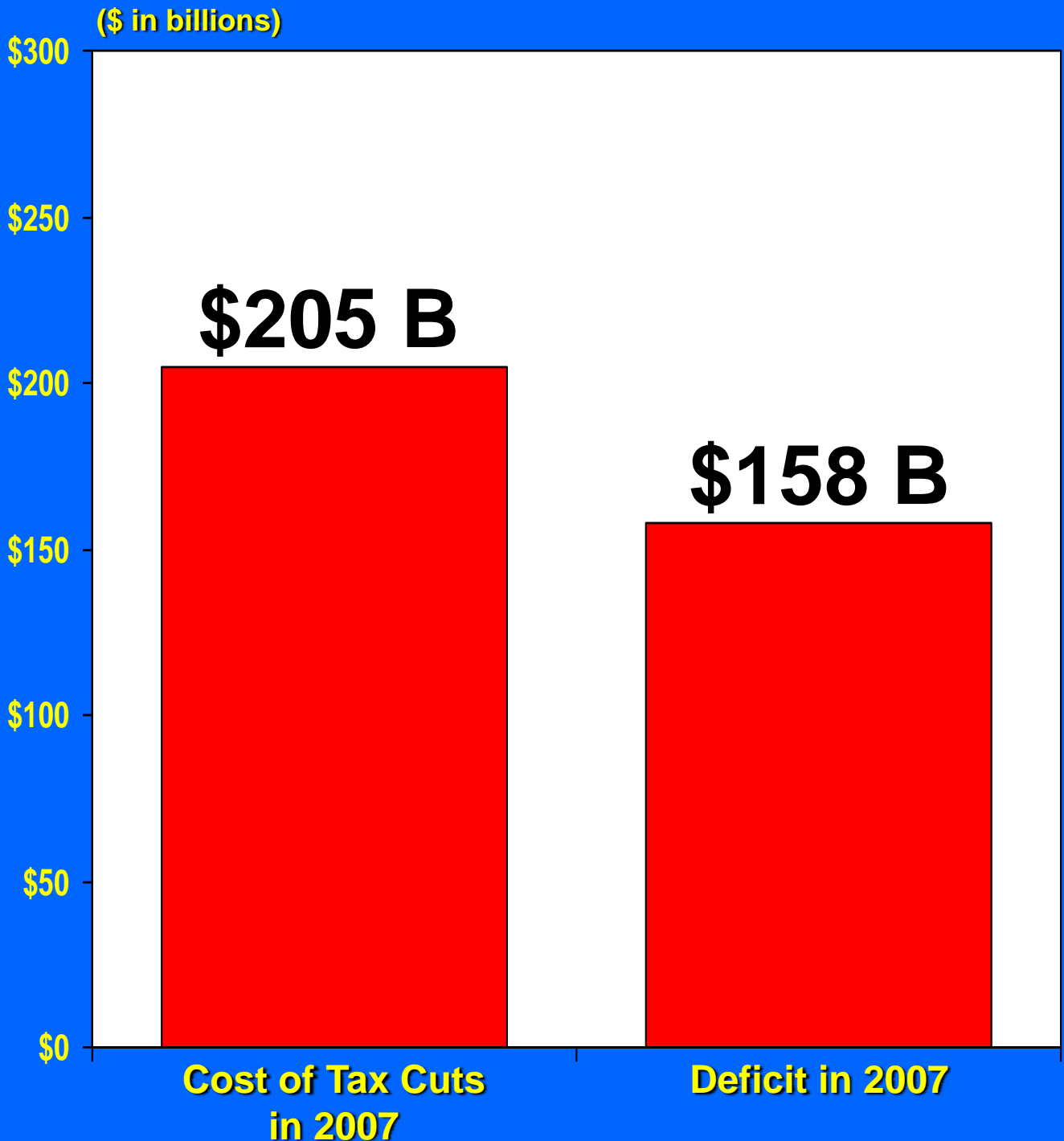
Note: As of June 2007

Millionaires Got More Than \$100,000 From Bush Tax Cuts in 2006



Source: Urban-Brookings Tax Policy Center

Tax Cuts Account for All of 2007 Deficit

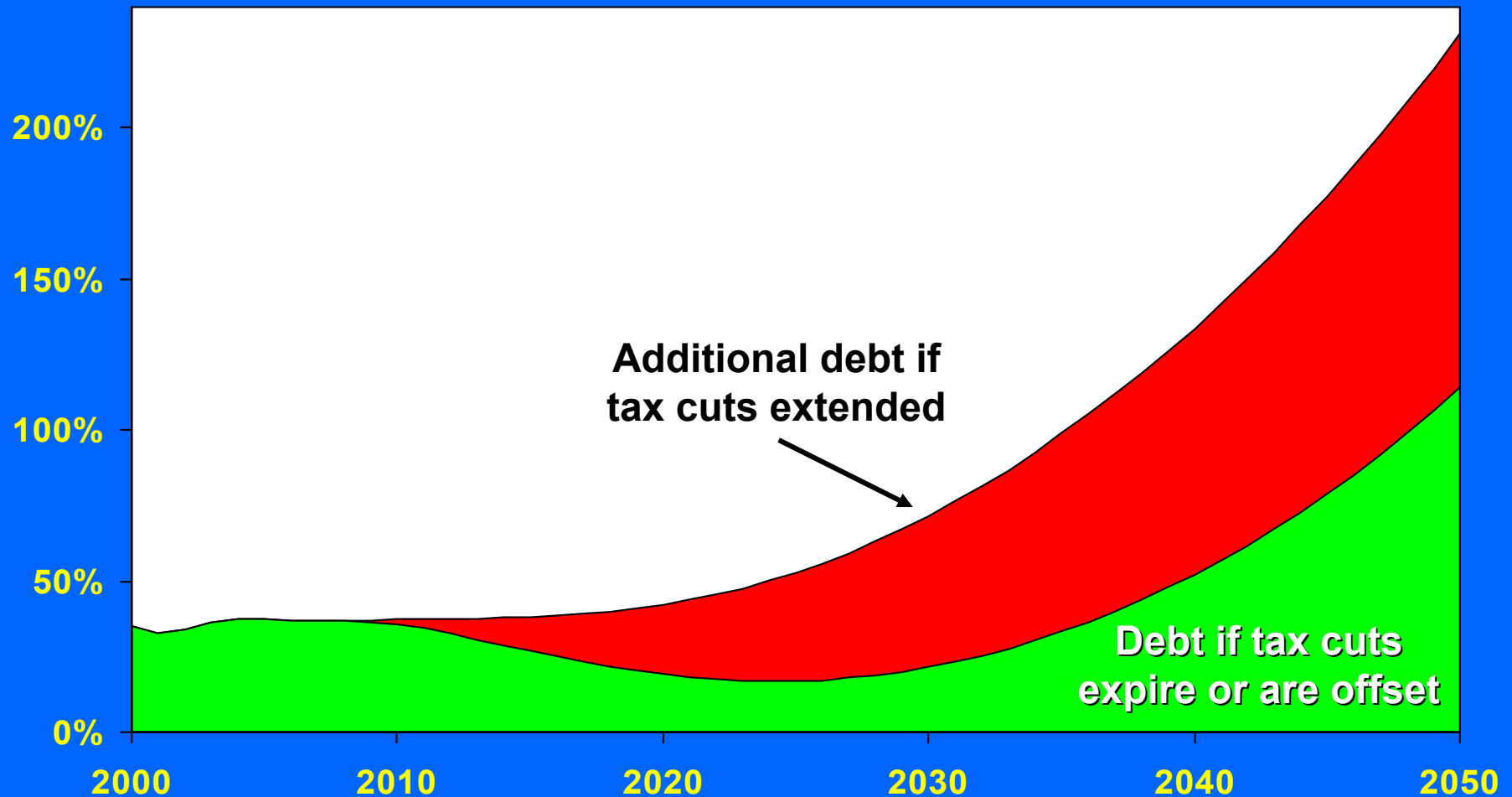


Source: CBO

Note: CBO estimate of cost of 2001 and 2003 tax cuts including debt service is \$195 - \$215 B; CBO August 2007 Budget Update deficit estimate for 2007.

Debt Explodes if All Tax Cuts are Extended Without Offsets

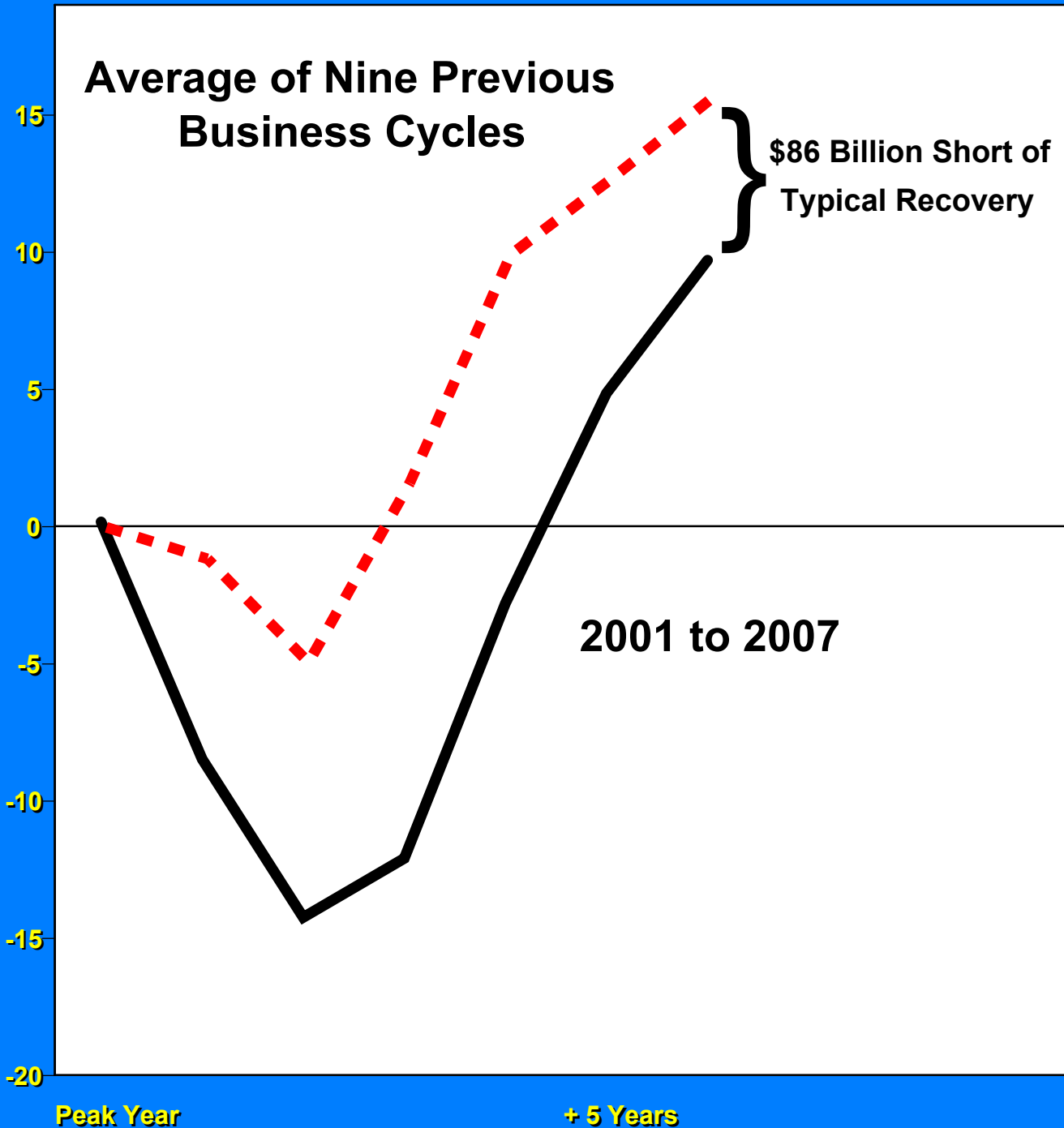
Debt as a Share of the Economy



Source: CBPP projections based on CBO data.

Real Revenues Lag Typical Recovery Even with Recent Revenue Gains

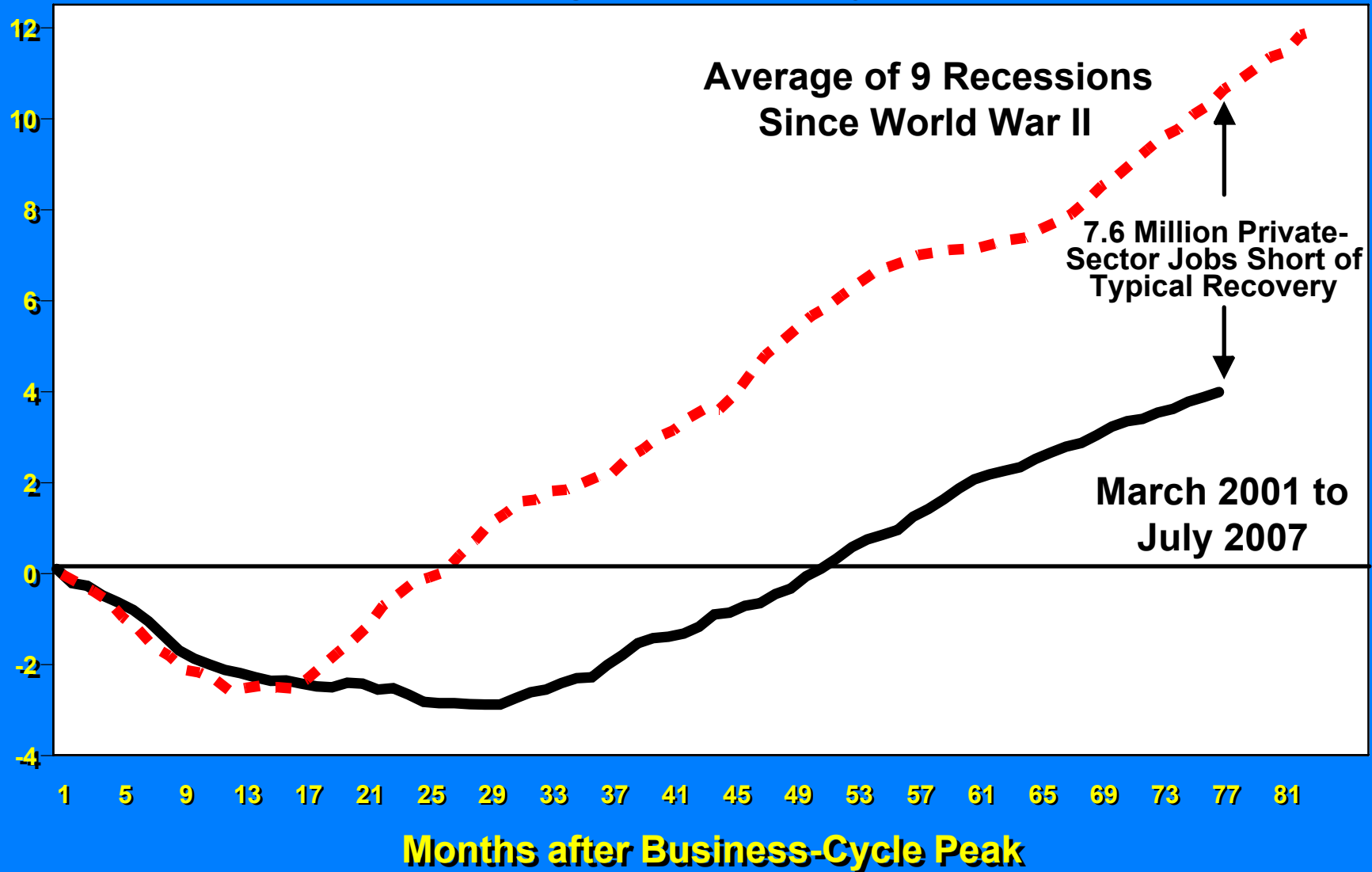
(Inflation-Adjusted Federal Revenues, Percent Change from Business-Cycle Peak)



Source: OMB, President's Budget for FY 2007, Historical Table 1.3

Job Creation Lags Behind Typical Recovery

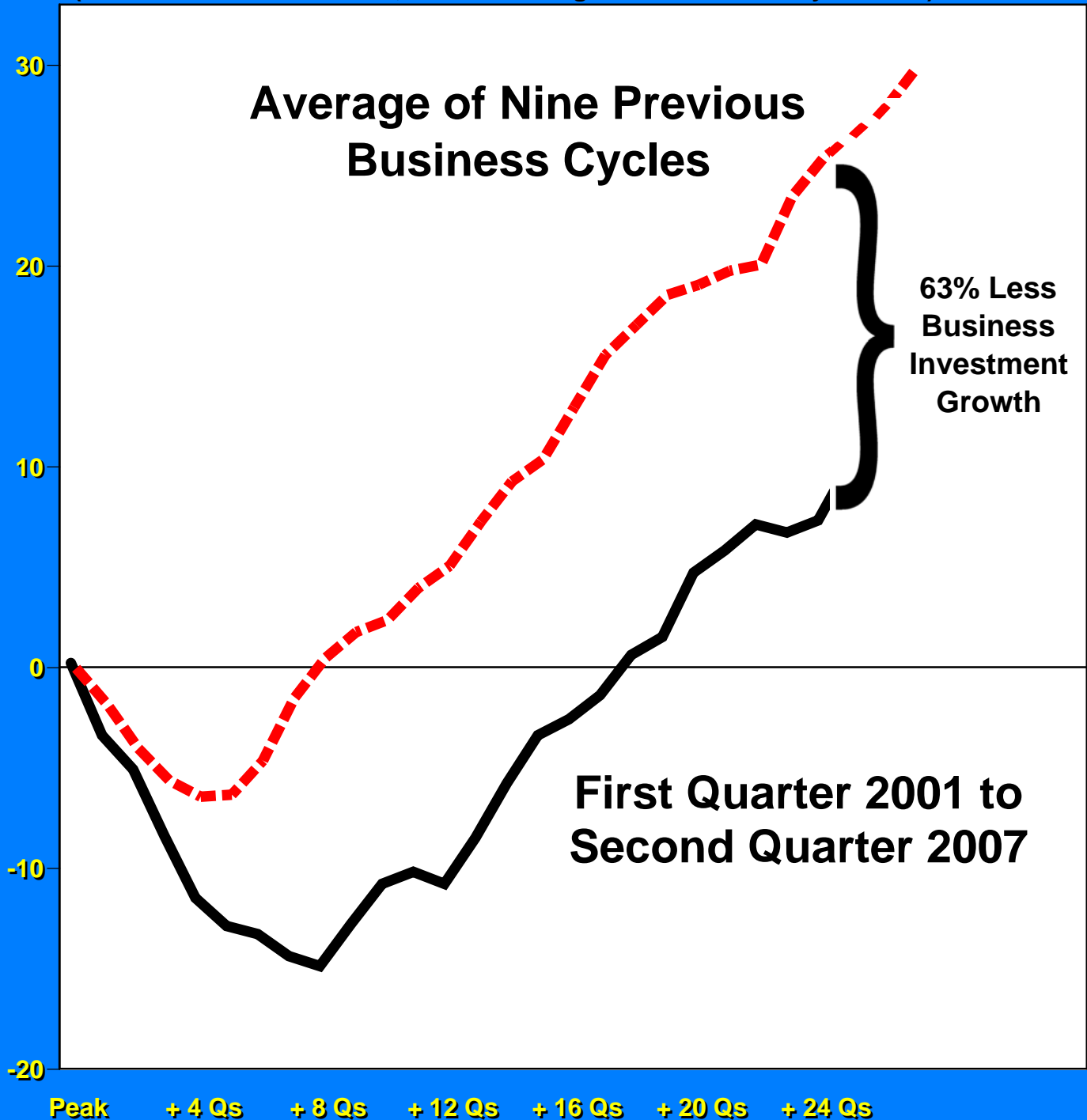
(Private-Sector Jobs, Percent Change from Business-Cycle Peak)



Source: BLS

Business Investment Lags Behind Typical Recovery

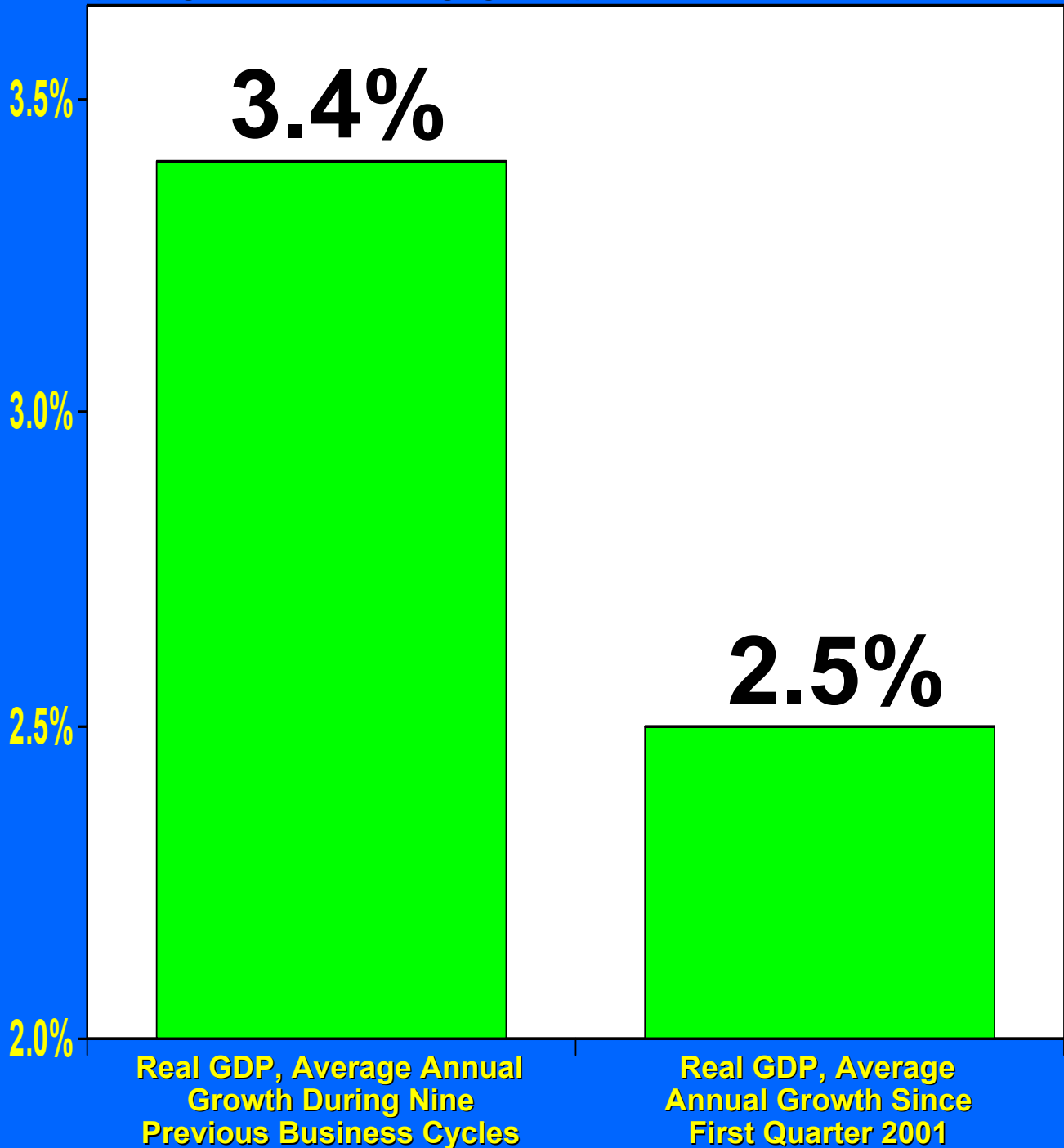
(Real Business Investment, Percent Change from Business-Cycle Peak)



Source: Department of Commerce

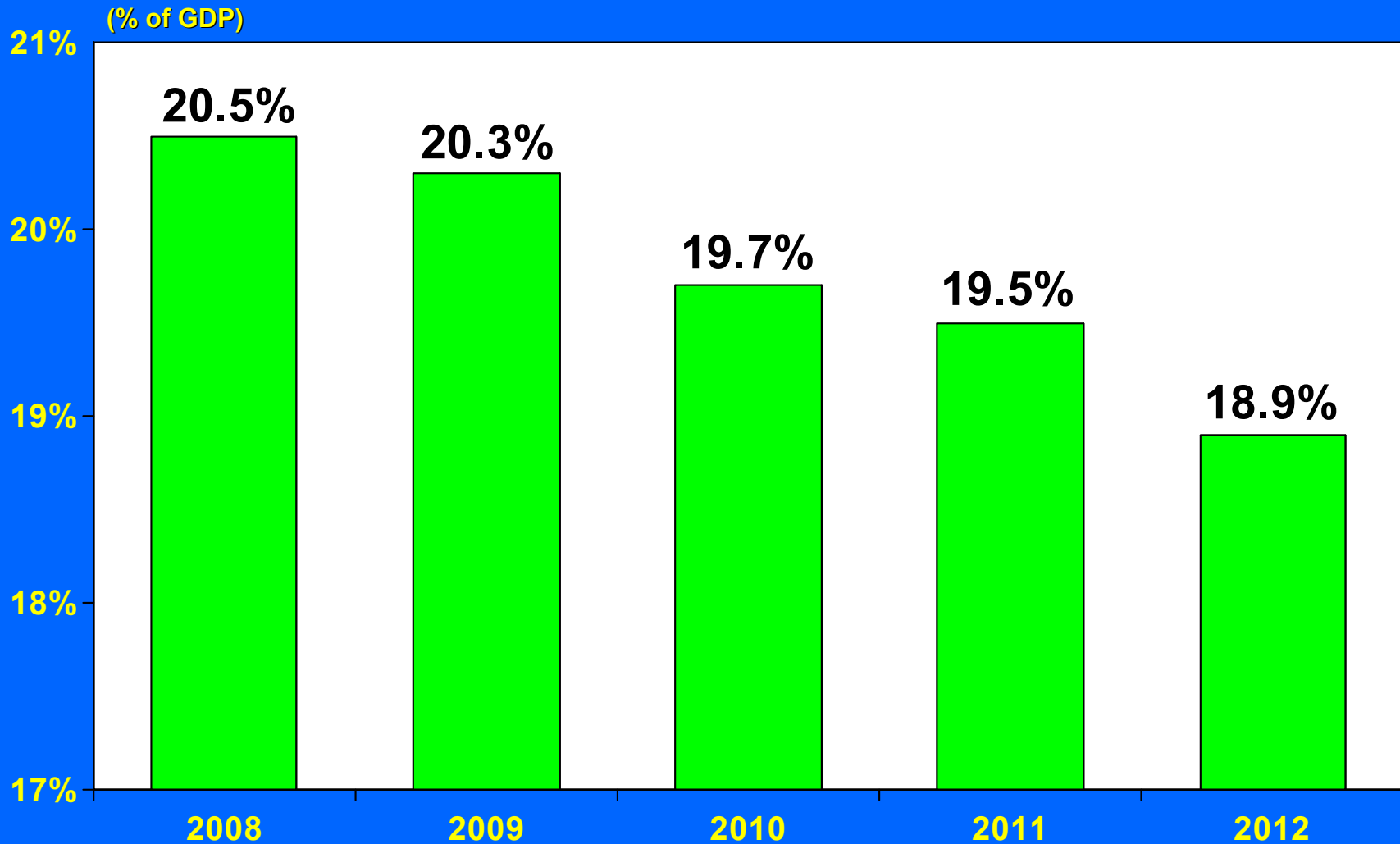
Real GDP Growth Lags Behind the Typical Recovery

(Average annual percentage growth)



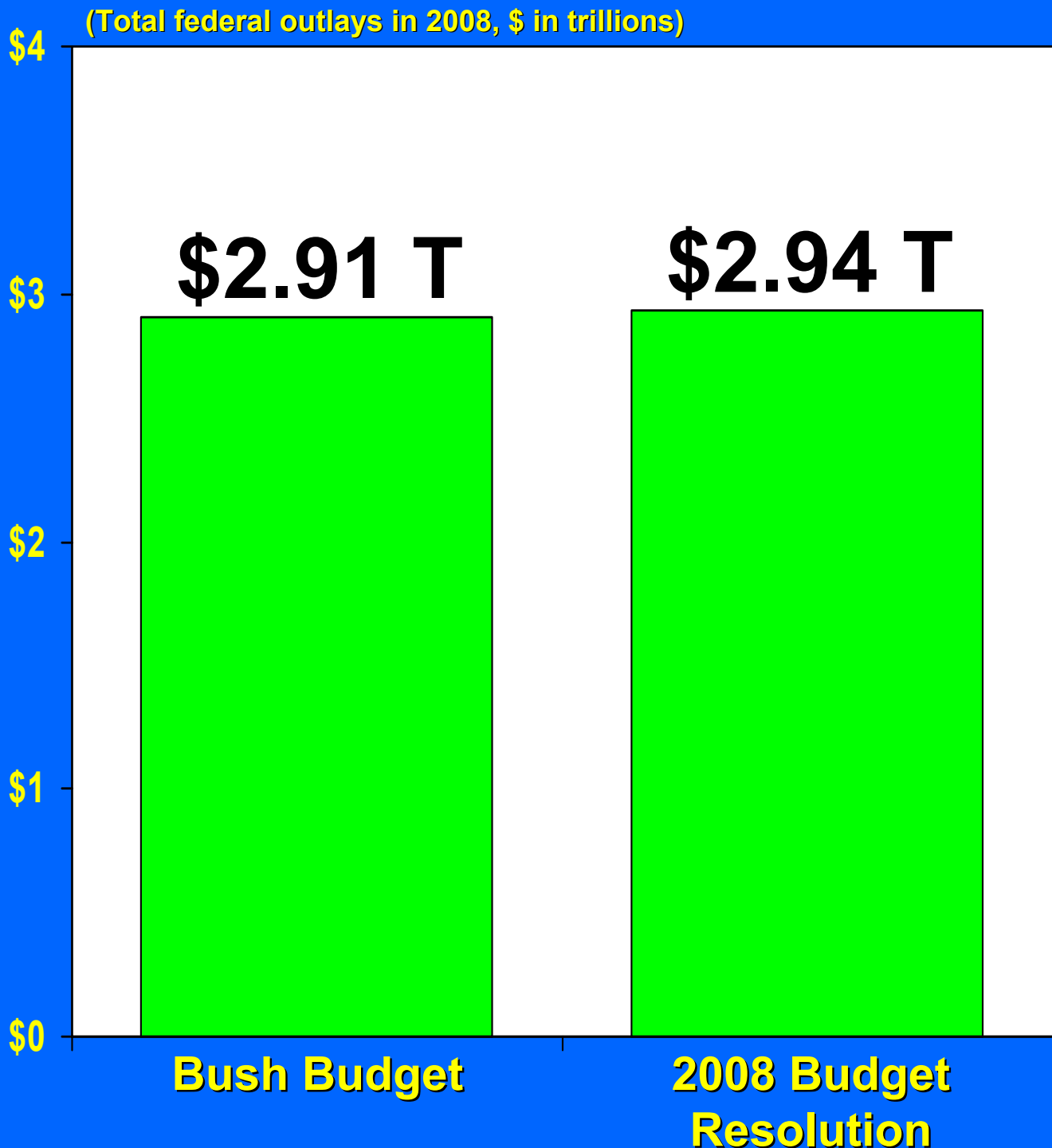
Source: Department of Commerce

Spending Under Budget Resolution



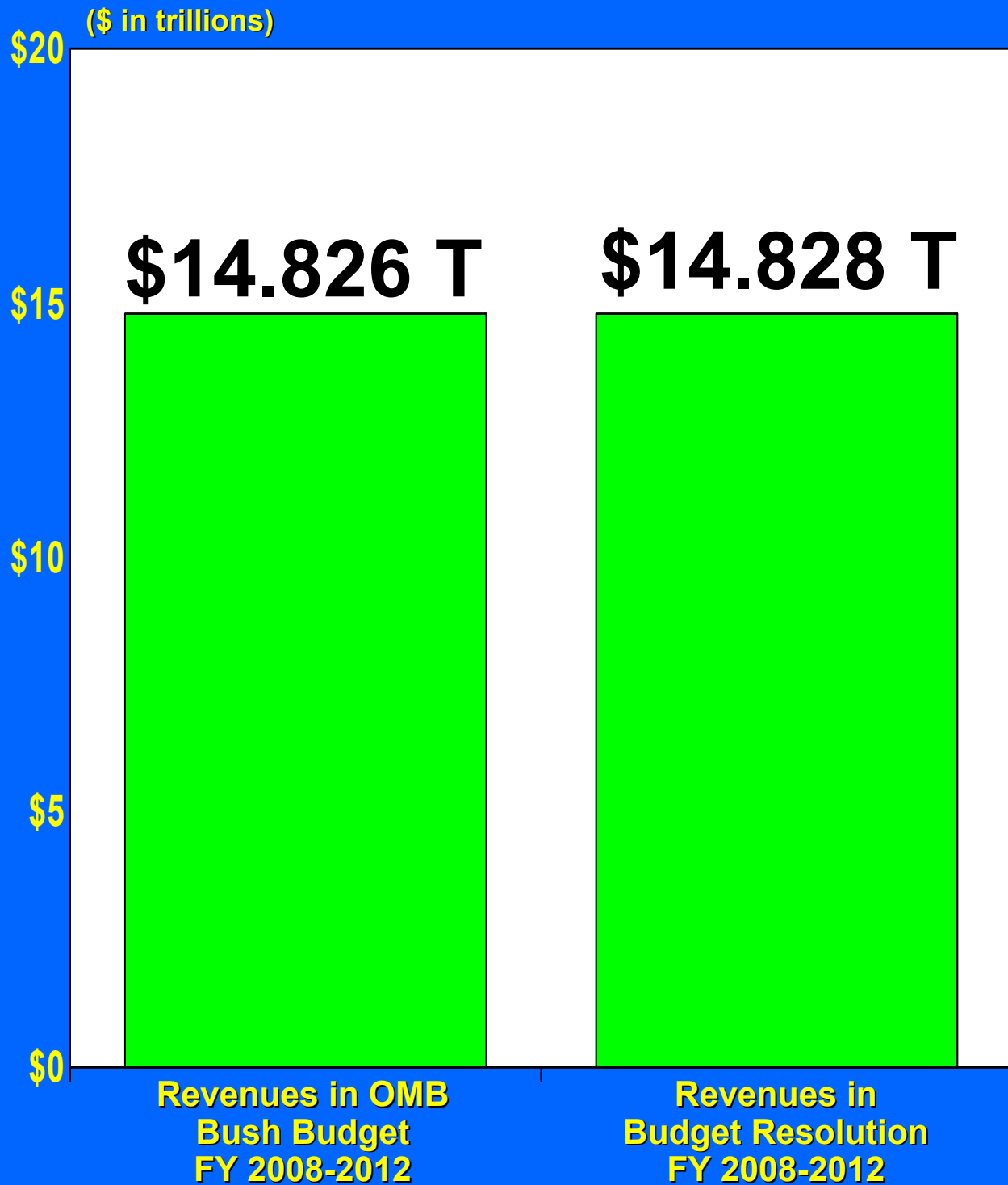
Source: SBC

Budget Resolution Includes Only 1% More Spending Than Bush Budget in 2008



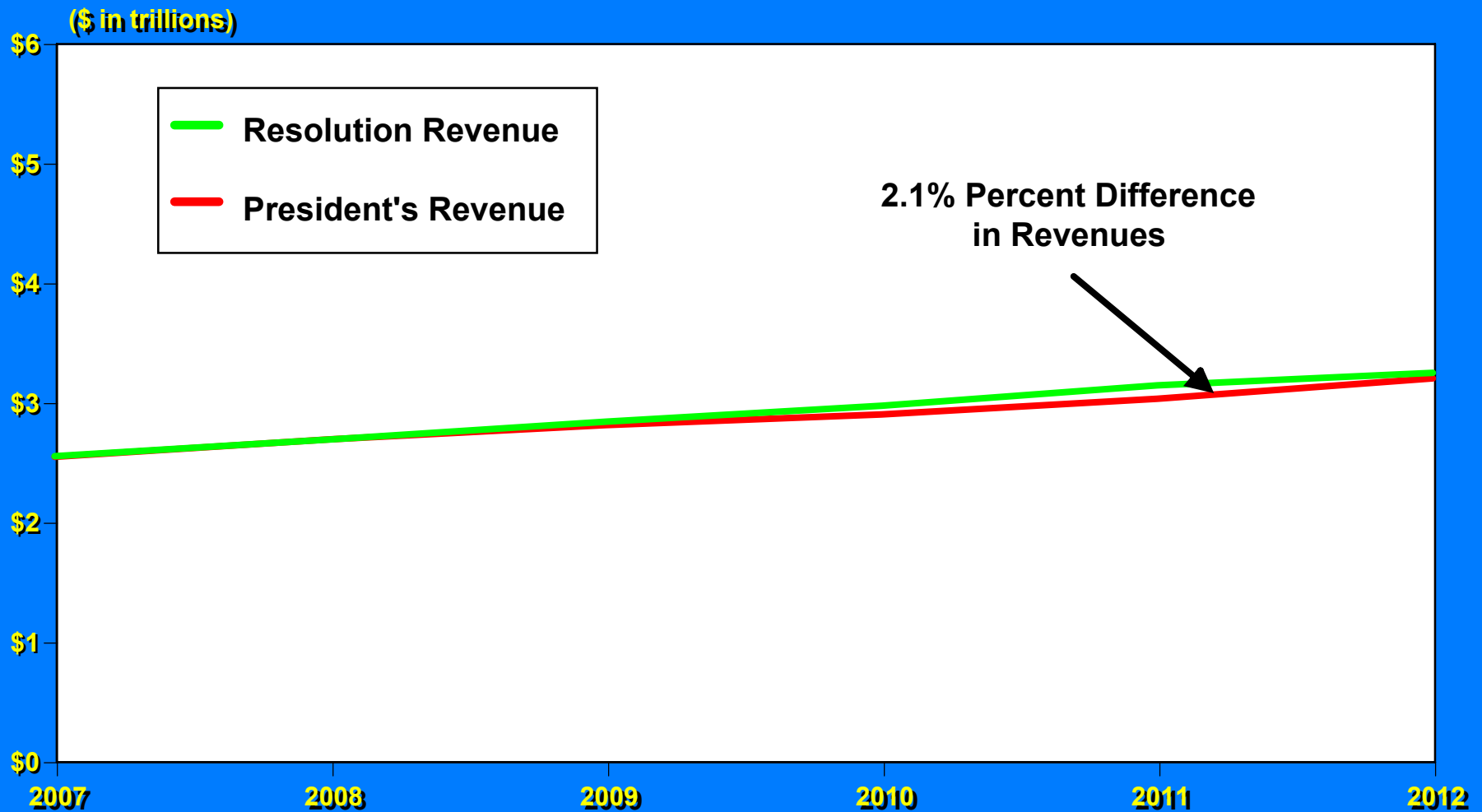
Source: CBO, SBC

Budget Resolution Revenues Virtually Identical to Bush Budget Revenues



Source: OMB, SBC

Comparison of Revenues Under Resolution and President's Budget



Source: SBC, CBO

Former Treasury Secretary Snow Acknowledges Need for Bipartisan Approach to Solving Long-Term Challenges

“You can’t do health care reform or Social Security reform ... without a bipartisan consensus.... If we made a mistake, it was not approaching it in more of a bipartisan way.”

**–Former Treasury Secretary John Snow
As quoted by *The Wall Street Journal*
February 6, 2007**