Introduction

The 2016 election is an important opportunity for a national conversation between citizens and candidates about the leadership required to secure America’s future. The growing national debt threatens our fiscal, economic, and national security. Within the next 10 years, interest on the debt will become the third-largest category of the federal budget, threatening to crowd out investments in our economy like education, infrastructure, and research and development.

Voters understand that our nation’s strength and prosperity depend on our long-term fiscal health. On our current path, the debt is projected to grow to levels that would damage America’s economy, threaten our way of life, and diminish our role in the world. Our global standing and ability to confront our greatest threats tomorrow depend on the actions of our leaders today.

The 2016 Fiscal Summit provided a national platform for this essential election-year conversation about our fiscal future. Discussions with policymakers, experts, and thought leaders assessed the proposals from the campaign trail and explored the political dynamics that surround and influence the debate. Most important, the Summit examined what needs to be accomplished in the next four to eight years to meet our nation’s long-term priorities and to build a fiscal foundation that supports economic growth, opportunity, and security.
2016 Fiscal Summit:
Leadership for a Secure Future
About the Peter G. Peterson Foundation
Founded in 2008, the nonpartisan Peter G. Peterson Foundation is dedicated to increasing public awareness of the nature and urgency of key fiscal challenges threatening America’s future and accelerating action on them. To meet these challenges successfully, the Foundation works to bring Americans together to find sensible, sustainable solutions that transcend age, party lines, and ideological divides. The Foundation works with leading policy experts, elected officials, and the public to build support for solutions to put America on a sustainable fiscal path. We engage in grant-making, partnerships, and research to educate and engage Americans from a variety of perspectives.
Program
Welcome and Opening Remarks: Leadership for a Secure Future

Pete Peterson, Founder and Chairman, Peter G. Peterson Foundation
Michael A. Peterson, President and Chief Executive Officer, Peter G. Peterson Foundation

The State of Play: America’s Fiscal and Economic Outlook

Keith Hall, Director, Congressional Budget Office

Looking Ahead: Memos to the Next President

Douglas Holtz-Eakin, President, American Action Forum; Former Director, Congressional Budget Office
Robert Reischauer, President Emeritus, Urban Institute; Former Director, Congressional Budget Office

MODERATOR: Ruth Marcus, Columnist, The Washington Post

Strength at Home and Abroad: The Coalition for Fiscal and National Security

Admiral Michael G. Mullen, USN (Ret.); 17th Chairman, Joint Chiefs of Staff; President, MGM Consulting LLC; Chairman, Coalition for Fiscal and National Security
Secretary Chuck Hagel, 24th U.S. Secretary of Defense; Former U.S. Senator; Member, Coalition for Fiscal and National Security
Senator Sam Nunn, Former U.S. Senator; Co-Chairman and CEO, Nuclear Threat Initiative; Member, Coalition for Fiscal and National Security


Budget Process Reform: Can a Better Process Lead to Good Policy?

Senator Michael B. Enzi (R-WY), Chairman, U.S. Senate Committee on the Budget
Senator Sheldon Whitehouse (D-RI), U.S. Senate Committee on the Budget and Committee on Health, Education, Labor and Pensions

MODERATOR: John Harwood, Chief Washington Correspondent, CNBC; Political Writer, The New York Times

Insider’s Lunch: Senator Lindsey Graham

Senator Lindsey Graham (R-SC), U.S. Senate Committee on Appropriations and Committee on the Budget

INTERVIEWERS: Mark Halperin, Co-Managing Editor, Bloomberg Politics; Co-Host, MSNBC and Bloomberg’s With All Due Respect
John Heilemann, Co-Managing Editor, Bloomberg Politics; Co-Host, MSNBC and Bloomberg’s With All Due Respect

Congressional Leaders: The Legislative Outlook in a Political Season

House Democratic Leader Nancy Pelosi (D-CA)
Senator Joe Manchin (D-WV), U.S. Senate Committee on Armed Services and Committee on Commerce, Science, and Transportation

INTERVIEWER: Dana Bash, Chief Political Correspondent, CNN

From the Campaign Trail to the White House: Economic Advisors to the Candidates

Sam Clovis, National Co-Chair and Chief Policy Advisor, Donald J. Trump for President, Inc.
David Kamin, Economic Policy Advisor to Hillary for America


Beyond the Beltway: The Economic Forces Driving the 2016 Election

Heather Boushey, Executive Director and Chief Economist, Washington Center for Equitable Growth
Carroll Doherty, Director of Political Research, Pew Research Center
James Pethokoukis, Editor, AEIdeas; and Dewitt Wallace Fellow, American Enterprise Institute

MODERATOR: Neil King Jr., Global Economics Editor, The Wall Street Journal
Welcome Remarks:
2016 Fiscal Summit
Pete Peterson

OPENING THE Foundation’s seventh-annual Fiscal Summit, Founder and Chairman Pete Peterson drew attention to the nation’s long-term fiscal outlook, which remains on an unprecedented and dangerously unsustainable path. Peterson noted that America faces a long-term mismatch between spending and revenues, yet too many policymakers have an “obsessive focus on the short term.”

With our national debt projected to rise to “unthinkable” levels in coming decades, Peterson argued for a comprehensive plan to address our long-term fiscal challenges. Absent such a plan, he said, we risk America’s economic future and the opportunities available to the next generation of Americans.

Since establishing the nonpartisan Foundation in 2008, Peterson has led its work to raise awareness of America’s long-term fiscal challenges, and to find solutions to help build a growing, thriving economy.

Over the past seven years, the Fiscal Summit has become the premier annual gathering focused on addressing our nation’s long-term debt and economic future. Since debuting in 2010, the Fiscal Summit has convened respected voices from across the political spectrum, and has been a key part of the Foundation’s work to build consensus and support for putting America on a sustainable long-term fiscal path.
Opening Remarks: Leadership for a Secure Future

Michael A. Peterson

FOUNDA

Michael A. Peterson outlined the day’s theme, setting the stage for a discussion of the Summit, titled “Leadership for a Secure Future.” Peterson highlighted the fact that security for Americans means many things, including fiscal security, economic security, and national security. “The truth is,” he said, “a stable fiscal foundation is essential to all of these things,” because a growing, thriving economy and strong, smart national defense rely upon a sustainable budget outlook.

Assessing our fiscal condition, Peterson noted that while deficits are down from the highs of the Great Recession ($1.4 trillion in 2009), they are beginning to rise. “This year, unfortunately, we’re at a turning point, because the era of shrinking deficits has now come to an end,” he said, adding that by 2022, America is projected to be “back to trillion dollar–plus deficits once again.”

Peterson emphasized, however, that the real threat to our future lies in the decades ahead, as our nation’s debt is projected to reach 131 percent of GDP in 25 years under current law, or 175 percent under less optimistic assumptions. Peterson called these levels unsustainable and dangerous.

Putting the discussion in the context of an election year, Peterson noted that if the next president were to serve two terms, by the end of his or her second term, “interest expense would be the third-largest program in the federal budget.”

This growing interest, Peterson argued, takes a toll on economic growth. Rising interest costs, he said, threaten to “crowd out investments like education, research and development, and infrastructure,” which hurts our competitiveness. Moreover, growing debt also takes capital away from private investments, hurts confidence in the economy, and risks the essential safety net.

Looking globally, Peterson cautioned that rising debt has the potential to diminish our leadership role in the world. “Unchecked, our growing debt would damage our economic leadership, military posture, and strength as a nation,” he said, emphasizing the strong connection between our fiscal health and our national security.

Peterson closed on an optimistic note, saying while these challenges are serious, many solutions exist to put our country on a more sustainable fiscal path—thereby ensuring a more secure future for all Americans.
Keith Hall  
*Director, Congressional Budget Office*
Keith Hall, Director of the Congressional Budget Office (CBO), opened the program, discussing the current budget outlook and projections for America’s fiscal and economic future. Hall leads the work of the CBO, an independent, nonpartisan agency charged with providing Congress with cost estimates of proposed legislation and analyses of the budget and the economy.

Hall began by summarizing the nation’s structural imbalance between spending and revenue. On the spending side, he noted that Social Security and major health programs are key drivers of this imbalance, accounting for 60 percent of the spending increase over the next decade. At the same time, interest costs will become a larger and larger part of the budget, more than doubling from 1.4 percent of GDP to 3 percent of GDP over that period.

With respect to revenues, Hall illustrated that tax receipts are not projected to keep pace with spending. He noted in particular the size of tax expenditures—sometimes called tax preferences or tax loopholes—which amount to approximately $1.5 trillion this year alone, or nearly 8 percent of GDP. Hall said these expenditures are “quite significant,” and include “an array of exclusions, deductions, preferential rates, and credits that reduce revenues for any given level of tax rates.”

Next, Hall turned to the fiscal picture beyond 10 years, stating that if current laws remain in place, “the outlook for the budget would steadily worsen over the long term” with an even more substantial gap between spending and revenue over the next 25 years. He cited the aging of the population and rising healthcare costs as the most important factors driving the increase in spending.

Hall identified a number of potential negative consequences of our growing debt, including reduced national savings and incomes, lower GDP and wage growth, reduced flexibility to respond to unforeseen events, and increased pressure on the federal budget.

To address these challenges, Hall advised, lawmakers “would have to make major policy changes to tax policy, spending policies, or both to make this path sustainable.” He added that “the longer you wait, the more change you have to make over time.”
Looking Ahead: Memos to the Next President

Douglas Holtz-Eakin, Robert Reischauer

INTERVIEWER: *Ruth Marcus*

**IN THE** day’s first panel, *Washington Post* columnist Ruth Marcus led a discussion with two former Congressional Budget Office (CBO) Directors about the policy and political challenges facing America’s next president. Douglas Holtz-Eakin and Robert Reischauer lamented the lack of serious policy discussion on the campaign trail, and stated that the next president should be prepared to tackle the big fiscal questions facing America in the decades ahead.

Holtz-Eakin said long-term issues in particular are too often ignored in campaigns, and many of the proposals put forward on both sides of the aisle are neither politically viable nor based on realistic budget assumptions. Reischauer agreed, saying that without a long-term plan and campaign specifics, we are “flying blind into [a] future that is very, very problematic.”

Reischauer said that although both the problem and the solutions, are known, there is little political appetite for making difficult but necessary changes. The problem, he said, “has to be addressed ... it’s unavoidable. And the clock ticks, ticks, ticks, ticks.” He added, “The future is now ... and the future’s not pretty.”

Both agreed that in order to overcome political hurdles, a comprehensive deal would likely have to include both spending cuts and revenue increases, which Reischauer referred to as “belt tightening and wallet opening.” Holtz-Eakin argued that “the only route to really getting more revenue is through tax

FROM LEFT:

*Ruth Marcus*
Columnist, The Washington Post

*Douglas Holtz-Eakin*
President, American Action Forum; Former Director, Congressional Budget Office

*Robert Reischauer*
President Emeritus, Urban Institute; Former Director, Congressional Budget Office
reform.” He added, “[Q]uite frankly, had we started dealing with the entitlements when I was CBO director, you could probably get away with not having a revenue increase.... But we’ve waited too long, and we lost our cushion in the crisis.”

Reischauer said a key question will be how policymakers can “moderate the growth of spending and increase revenues” at the same time. He said that Americans have an “unrealistic set of expectations” about savings available through discretionary budget cuts, and that given the level of projected revenue, economic growth alone is insufficient to stabilize our long-term fiscal outlook.

Holtz-Eakin agreed, saying that “you cannot grow your way out of this problem” and that more reform is needed to truly put us on a sustainable path.
Strength at Home and Abroad: The Coalition for Fiscal and National Security

Admiral Michael G. Mullen, Secretary Chuck Hagel, Senator Sam

MODERATOR: David E. Sanger
NEXT, New York Times national security correspondent David Sanger moderated a conversation with Admiral Mike Mullen, former Defense Secretary Chuck Hagel, and former Senator Sam Nunn about the connection between America’s global leadership and its fiscal and economic health. The discussion focused on the work of the Coalition for Fiscal and National Security, which is chaired by Mullen and includes Hagel and Nunn.

The Coalition is comprised of senior government officials who have served during eight presidential administrations—Democratic and Republican—and former leaders in Congress from both parties. The Coalition released its initial statement in 2012 during the “Fiscal Cliff” negotiations. It united for a second time in 2016 to draw our country’s attention to how our national security is fundamentally linked to the fiscal sustainability of our federal budget, and to the urgent need to update and reprioritize our defense and foreign policy strategies.

During the conversation, Mullen reiterated his view that the “number one threat” to America’s future is our unsustainable national debt, because it
“really hits at the heart of our ability to lead.” He noted that defense spending is approximately half of all annual discretionary spending. But as our overall fiscal challenges worsen in the years ahead, he explained, discretionary spending “is going to get smaller and smaller, at a time when our national security challenges are increasing.”

Hagel summed up the critical importance of the debate, saying that “the economic power, flexibility, and credibility of a country directly corresponds and proportionate to a nation’s security ... and foundationally, if a nation doesn’t have a strong economy, a growing economy, then that nation’s options and capabilities are very limited.”

Nunn noted that “the defense budget is being squeezed” both by growing mandatory entitlement spending and by rising Department of Defense personnel costs. He advocated for reforms to improve the nation’s budget process and fiscal outlook, and to help policymakers make better decisions about defense spending. He suggested that policymakers consider combining the authorizing and appropriations committees in the Congress; moving from annual to two-year budgets; using a longer, 25-year time horizon for our budget projections; and looking to outside business leaders to fill future openings for the secretaries of the Army, Navy, and Air Force.

The panel pointed to political gridlock as a contributing factor to the lack of forward-looking fiscal and national security policies. Hagel said, “We really haven’t governed in this country for a number of years. We’ve got a Congress that’s paralyzed, an executive and Congress that doesn’t get along, doesn’t talk. And it has really not just polarized our country, but it’s paralyzed, in many ways, every institution in government.”

Despite the gridlock, Mullen said that there are opportunities to streamline and gain efficiencies, citing a “tremendous opportunity inside the Pentagon to be able to do away with duplication.”

Nunn emphasized the urgency of acting, saying that “every year that goes by that we don’t address these issues, everything gets more difficult, both economically and politically.” Hagel called for increased discussion of big picture fiscal and national security issues during the electoral process,
Members of the Coalition for Fiscal and National Security

Admiral Michael G. Mullen, USN (Ret.)
Coalition Chairman
Former Chairman, Joint Chiefs of Staff

Madeleine K. Albright
Former Secretary of State

James A. Baker, III
Former Secretary of State and the Treasury

Zbigniew Brzezinski
Former National Security Advisor

Michael Chertoff
Former Secretary of Homeland Security

Robert M. Gates
Former Secretary of Defense

Stephen Hadley
Former National Security Advisor

Chuck Hagel
Former Secretary of Defense

Lee Hamilton
Former Representative from Indiana’s 9th District

Michael Hayden
Former Director of the National Security Agency

Dr. Henry A. Kissinger
Former Secretary of State

Janet Napolitano
Former Secretary of Homeland Security

Sam Nunn
Former Chairman of the Senate Committee on Armed Services

Paul O’Neill
Former Secretary of the Treasury

Leon Panetta
Former Secretary of Defense

Henry M. Paulson, Jr.
Former Secretary of the Treasury

Tom Ridge
Former Secretary of Homeland Security

LTG Brent Scowcroft, USAF (Ret.)
Former National Security Advisor

George Shultz
Former Secretary of State and the Treasury

Paul Volcker
Former Chairman of the Federal Reserve

John Warner
Former Chairman of the Senate Committee on Armed Services

Robert Zoellick
Former President of the World Bank Group

citing the critical need for campaigns to clarify “what do Americans want? What do leaders think that the appropriate role of America is in the world today?”

Mullen added, “The world isn’t going to let us [simply] recede…. I think we need to stay out there and engaged in the world, in ways that really make a difference, [and] in a world that, quite frankly, is begging us to do that.”

Hagel closed the panel by saying, “There’s no other country that can replace us. Now, do Americans want to continue to carry that burden and that heavy responsibility?... I’d say, yes, it is worth it. Because the next great power on Earth may not be as judicious and benevolent with its power as America has been with its power…. I don’t want my children to grow up in that world, or their children to grow up in that world.”
Budget Process Reform: Can a Better Process Lead to Good

Senator Michael B. Enzi, Senator Sheldon Whitehouse

MODERATOR: John Harwood

THE DAY'S next session featured a bipartisan panel with two key members of the Senate Budget Committee, Chairman Michael B. Enzi (R-WY) and Senator Sheldon Whitehouse (D-RI). In discussion with CNBC’s John Harwood, Enzi and Whitehouse discussed their efforts to implement reforms to streamline and improve the annual budget process.

Enzi stressed that the budget process is “broken,” with too many procedures that “are just designed to embarrass each side” rather than result in a document that reflects our nation’s priorities. Whitehouse agreed that the budget process status quo results in “a highly partisan environment, [which] opens itself up to just pot shots back and forth.” Although the budget should set “the high point of congressional responsibility,” he said, it instead “turns into a comedy of mutual insults and demeaning behavior.”

Whitehouse suggested more communication and cooperation between the executive and legislative branches would improve the outcome. He proposed involving the president earlier in the process in order to avoid a last minute standoff under threat of government shutdown, adding that this approach should apply “whether it’s [a] Republican or a Democrat.”
Enzi noted that increasing mandatory spending will begin to crowd out priorities in the discretionary budget, limiting the ability of his committee to chart a more sustainable fiscal course. He said that the budget is being overtaken by spending on entitlement programs and interest, which is crowding out important investments in our economy.

Enzi and Whitehouse emphasized the need to examine the tax code—particularly tax expenditures—as part of improving our long-term fiscal outlook. Both noted that although discretionary spending is reviewed on an annual basis, changes to the tax code are essentially permanent and removed from year-to-year scrutiny. Whitehouse said, “If you are a special interest and you have the choice between pulling strings to get an appropriation in a particular year versus pulling strings to get an equivalent value tax benefit that then gets baked into the tax code and is yours year after year after year, clearly, your incentive is to bake your goodies into the tax code.” This practice has been taking place for years, he said, “leav[ing] us a rich mine of really unjustified tax spending to look at.” Enzi added that we need to look at every tax expenditure and determine whether it is “justified or not.”

Calling for strong presidential leadership and a bipartisan approach to our budget challenges, Enzi highlighted what is at stake for the future of the country: “I think it is possible for people to work together if both sides can be involved, and [we] can start to solve some of the really big problems that our country has.”
Senator Lindsey Graham (R-SC) U.S. Senate Committee on Appropriations and Committee on the Budget
Insider’s Lunch: 
Senator Lindsey Graham

INTERVIEWERS: Mark Halperin, John Heilemann

OVER LUNCH, Bloomberg Politics’ Mark Halperin and John Heilemann led an entertaining and illuminating conversation with Senator Lindsey Graham (R-SC), who assessed the fiscal and economic landscape awaiting America’s next president.

Graham expressed his strong disappointment that the nation’s fiscal outlook is not a more prominent issue on the campaign trail, saying that “of all the things we’ve talked about in the election cycle, the debt’s been the least talked about … [but it’s the] most important.”

He emphasized that the next president will have an opportunity and responsibility to “navigate” the nation through complex fiscal challenges. He repeatedly pointed to the example of the National Commission on Fiscal Responsibility and Reform (also known as Simpson-Bowles), as a road map for a “grand bargain” bipartisan compromise. He added, “I don’t know how to save this country from a fiscal calamity without a bipartisan approach to what drives the debt, which is 80 million baby boomers retiring en masse over the next 25 years with not enough workers paying into the systems to keep them afloat.”

A successful solution, he said, must necessarily be comprehensive and involve ideas and sacrifice from both parties. Republicans, he said, “have to agree to flatten out the tax code” and “generate revenue” by eliminating tax expenditures and applying the funds both to lower rates and debt reduction. Democrats, on the other hand, need to accept reforms and adjustments to stem growth in the large healthcare and entitlement programs. Such growth is a result of long-foreseen demographic trends as the Baby Boomer Generation retires.

Despite the seriousness of these challenges, and the perception that the partisan chasm is too wide for a deal, Graham expressed optimism for a path forward. Referring again to the National Commission on Fiscal Responsibility and Reform, he said, “I think there’s 60 votes in the United States Senate for something like Simpson-Bowles. I really believe that.”

Looking ahead to the next presidential administration, he pledged to work across the aisle to gather consensus and support for a grand bargain plan. He said, “I will try to be the Republican, one of many, I hope, that will put on the table things that are necessary for my party [to] help my country as a whole. I think there’s going to be a lot of people in the Senate willing to embrace revenue if the other side will do entitlement reform.”

Speaking directly to the audience, he closed the session by saying, “There is no easy way out of this mess. The only way you’re going to get out of it is to get out of it together. And I think what Ronald Reagan and Tip O’Neill did in the Eighties needs to be duplicated at a deeper level. I’m optimistic. I’m optimistic [that] with the right presidential leadership, we’re going to get there.”
Congressional Leaders: The Legislative Outlook in a Political Season

House Democratic Leader Nancy Pelosi, Senator Joe Manchin

INTERVIEWER: Dana Bash

CNN’s Dana Bash interviewed two key congressional leaders, House Democratic Leader Nancy Pelosi (D-CA) and Senator Joe Manchin (D-WV). Their discussions examined policy and politics in three key areas: the challenges associated with major legislation during an election, the possibilities enabled by the lame-duck session, and the opportunity for reform in a new administration and Congress in 2017.

House Democratic Leader Nancy Pelosi

Pelosi discussed her support for “pay as you go” budgeting, which requires that new mandatory spending increases or tax reductions be offset elsewhere by cuts in other mandatory programs or additional revenues. She argued that this requirement helps force consideration of the cost of each policy, asking “If you want to have a tax cut, how do you pay for it? If you want to make an investment, how do you pay for it?”

Ultimately, Pelosi said, the “goal is to meet the needs of the American people, in a way that reduces the deficit, creates growth, creates good-paying jobs. And that’s the test we should put the budget to.”
Pelosi highlighted rising interest costs as one powerful reason to reduce America’s long-term debt: debt service is “like money down the drain because we [aren’t] getting anything for it.”

Echoing statements made by other Summit panelists, Pelosi identified tax expenditures as ripe for closer scrutiny. “There are over a trillion dollars” of tax expenditures, she said, adding, “some of them are worthy … [but] half of them are total giveaways. And they increase the deficit, do not create growth, and are just special interest giveaways that have been carved out in the dark of night.”

The key to finding a bipartisan solution, she said, is for all parties to “come to the table with shared values and come up with a budget that represents our values.”

**Senator Joe Manchin**

Manchin spoke about his commitment to centrist policymaking in a legislative body that is too often polarized, and is not focused on long-term planning. He noted that his experience as governor of West Virginia shaped his commitment to fiscal responsibility. As governor, he said, fiscal issues were a constant priority, but “nobody thinks that way” in Washington.

Manchin praised the concept and work of the bipartisan National Commission on Fiscal Responsibility and Reform. Manchin said the Commission took the right approach—and perhaps one that should be repeated. He noted that though the Commission did not achieve the required votes to send the package to Congress, it did earn a supermajority of bipartisan support and should be seen as a blueprint going forward. “They were going at it in a way that it needed to be tackled,” he said. “They got 11 out of 18 votes. You had five Republicans, six Democrats that voted for [the Commission’s recommendations].”

Looking past the election and assessing the nation’s fiscal condition, Manchin spoke about opportunities for reform. “In political life,” he said, “especially if you’re an executive, whether you’re the president or the governor or whatever, [there are] two things you better not waste: a mandate and a crisis.” He said that the next time the United States has the opportunity, the first priority should be to “get [our] financial house in order.”
From the Campaign Trail to the White House: Economic Advisors to the Candidates

Sam Clovis, David Kamin

INTERVIEWER: John Harwood

IN THE day’s next session, John Harwood returned to the stage to lead an in-depth policy conversation with advisors to the Hillary Clinton and Donald Trump presidential campaigns about their candidates’ ideas for meeting the nation’s fiscal and economic challenges.

Sam Clovis

Sam Clovis, representing the Donald Trump campaign, emphasized economic growth as an essential part of reducing the nation’s long-term debt. Clovis argued that meaningful debt reduction could be accomplished without addressing the projected growth in entitlement spending, but said that a Trump administration may reconsider that view, and be open to putting entitlement reform back on the table once more is known about economic growth in the future. “Right now we’re not going to touch anything because we can’t predict the [economic] growth,” which, he said, “puts time back on the clock.”

Clovis also discussed Trump campaign proposals to “strengthen the military, to ramp up infrastructure, to protect entitlements, and to cut taxes.” Pushed by Harwood on whether relying on growth is enough to put the long-term debt on a sustainable path, given additional spending priorities and commitments, Clovis said, “It is quite possible for us to grow the GDP out past our debt, which is a substantial achievement economically.”

Clovis closed by saying, “Donald Trump will tell the American people the truth, and it may not be what they want to hear. But I’ll guarantee you, the American people will rally behind that because they’ll know it’s for the best of the country. And it’s for them, their neighbors, their friends, our allies…. [This is] what will make America great again.”

David Kamin

Next, David Kamin outlined Hillary Clinton’s fiscal and economic policy platform. “Long-term fiscal sustainability is a major priority.” Kamin said, noting that Clinton has put forward a plan “that does not add to the deficit and fully pays for itself.”

At the same time, Kamin emphasized that the Clinton campaign is committed to other major economic priorities, such as “raising incomes of middle-class Americans” and “making sure that the very highest-income Americans, and also corporations, play by the rules.”

Kamin argued that given the current low-interest rate environment, it makes sense to make investments in our future now, identifying areas such as infrastructure spending, student aid, and paid family and medical leave as economic priorities included in Clinton’s plan.

Asked about reforms to control spending, Kamin noted that the growth of healthcare costs is a key driver of spending growth. He said that Clinton’s plan “would double down on what we have accomplished over the last several years when it comes to healthcare costs,” under the Affordable Care Act.

Summarizing Clinton’s approach, Kamin said, “She’s ready to put forward a vision for this country that she thinks is going to grow incomes and also be fiscally responsible. That is the vision she is putting forward and that she is going to fight for.”
Beyond the Beltway: The Economic Forces Driving the 2016 Campaign

Heather Boushey, Carroll Doherty,

Moderator: Neil King Jr.

The Fiscal Summit’s final session explored the way the economy has impacted the 2016 campaign, the way the campaigns have reached out to voters on these issues, and the implications for fiscal policy reforms post-election. The Wall Street Journal’s Neil King Jr. began the conversation by asking panelists about the economic factors driving this year’s unpredictable campaign.

Carroll Doherty, of the Pew Research Center, said that despite positive economic indicators, many Americans still “feel left behind ... and you see it play out in the primary campaign.” Trump supporters in particular, he said, are “feeling bad about most things” in the country and are “angry at the government.”

The American Enterprise Institute’s James Pethokoukis, agreed that “economic anxiety” exists and is influencing the campaign, but he also pointed to what he called “cultural anxiety,” which occurs when voters feel the country is changing in ways that affect them personally.

Heather Boushey, of the Washington Center for Equitable Growth, added, “It’s hard to deny people’s economic reality ... and, I think, for many specific communities around the country, the pain has been deeper than expected.” She said discussions in the campaign about income inequality and economic opportunity have highlighted some “real frustration” among voters, but the key question is whether we have “seen the right set of policy issues on the table” to address their concerns.

All three panelists agreed that trade policy has been a flashpoint for voters. In a shift of traditional party views, the panelists described a growing distrust among Republican voters of free trade agreements and, as Pethokoukis explained, “a real wariness about global
economic engagement.” Doherty noted that many Republican working-class voters may feel that “trade has not been good for them,” but he added that some of that sentiment may also simply reflect opposition to the current administration.

Boushey argued for more investment in infrastructure, calling it “probably the most important thing we could be doing” to spur economic growth and productivity. “We’ve seen bridges fall down. But what we’ve not seen is ... the political consensus here in Washington be able to focus on this urgent and pressing question,” she added.

Ultimately, she noted the need for candidates to “connect the dots between what is happening in people’s lives in terms of jobs and incomes and what the fiscal capacity is for our nation to act.”