



## COMMITTEE ON THE BUDGET

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### TALKING POINTS

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## Yes, America is Better Off Today

*Today – in 2004 – we are better off than we were at the end of 2000.*

- **Homeland Security:** Since 2000, we've greatly strengthened our homeland security. Today, America is better prepared to prevent, disrupt, and respond to terrorist attacks than ever before.
  - ▶ We've more than *doubled* funding for Homeland Security since September 11<sup>th</sup>, 2001.
  - ▶ We created the Department of Homeland Security.
  - ▶ With the improved resources, we've increased presence at key foreign ports, improved visa and inspection processes, strengthened seaport security, and improved security technology at airports and border crossings.
  - ▶ The BioWatch program now protects many large U.S. cities by monitoring the air for biological agents that could be released by terrorists. Additionally, Project BioShield is developing and acquiring more advanced vaccines and treatments for biological agents.
  - ▶ Over 500,000 first responders have been trained in weapons of mass destruction awareness and response since September 11<sup>th</sup>, 2001.
  
- **Defense:** Over the past three years, we've made great strides in correcting the defense deficit begun in the early 1990s, and continuing, including:
  - ▶ Increasing the Department of Defense annual budget by over \$110 billion to prosecute the global war on terrorism and carry out military transformation.
  - ▶ Greatly improving military quality of life issues: we've increased basic pay alone by 21 percent. Out of pocket housing expenses for the troops will reduce to zero in 2005.
  
- **International Terrorists on Defense – Not Offense:** In 2000, the Taliban and Saddam were free to aid international terrorism through their despotic regimes.
  - ▶ Today, the Taliban no longer rule Afghanistan, and Saddam Hussein no longer rules Iraq. These former sources of international terrorism are under Coalition control.
  - ▶ Even Libya – a long-time supporter of terrorism – recently renounced aid to terrorism. Libya is now working in partnership with the United States and United Kingdom to implement a commitment to eliminate all of its ballistic missiles and chemical and nuclear development programs.

- **Economy:** The economy is showing continued solid growth now in 2004 - recently at the best performance in 20 years - not on the verge of a recession as in 2000.
- ▶ *Real GDP growth* over the past year was at a 4.7 percent rate – one of the fastest growth rates in 20 years. In contrast, over the last 6 months of 2000, real GDP grew at an annual rate of less than 1 percent and even declined 0.5 percent in the third quarter of 2000.
  - ▶ *Payroll employment* is growing now - up by 1.7 million jobs over the past year, and up by 1.2 million over the past 6 months – about 200,000 jobs per month on average. Over the last 6 months of the Clinton Administration, payroll jobs growth was slowing as the economy was entering recession, growing by less than 60,000 jobs per month.
  - ▶ *Manufacturing jobs* have been increasing - up 100,000 over the past 6 months. Over the last 6 months of the Clinton Administration, manufacturing payroll employment *fell* by 238,000 jobs.
  - ▶ *Employment* is at a record high of nearly 140 million – as measured by the government’s “household” survey – which includes self-employed individuals and others not captured by the “establishment” jobs numbers. Four years ago, employment reached 137.6 million at the end of 2000, but then fell by over 1½ million over the next year as the economy went into recession following the slowdown that began in 2000.
  - ▶ *The unemployment rate* is falling now - down 0.9 percentage point from June 2003. In contrast, 4 years ago, the unemployment rate was rising at the end of the Clinton Administration as the economy was on the verge of recession.
  - ▶ *Housing markets* are now the strongest in 20 years - and housing values and the homeownership rate are at record highs.
  - ▶ *Manufacturing activity* is growing strongly. *Industrial production* has increased at over a 4-percent annual rate over the past 6 months. In contrast, 4 years ago during the last 6 months of the Clinton Administration, industrial production was falling at a 3-percent annual rate as the economy was entering a recession.
  - ▶ *Consumer confidence* is up 20 percent over the past year. Four years ago, over the final year of the Clinton Administration, consumer confidence fell by 20 percent as the economy was entering a recession.