



JOINT STATEMENT ON THE NATIONAL COMMISSION ON FISCAL RESPONSIBILITY AND REFORM

Today, the President formally announced the creation of his National Commission on Fiscal Responsibility and Reform. The Commission is off to a good start with the appointment of Erskine Bowles and Alan Simpson as co-chairs. In their prior public service, they have demonstrated the skills and will needed to forge consensus on difficult policy choices.

Our groups agree that chronic budget deficits of the size projected even after the economy recovers pose a threat to future standards of living and require prompt, bipartisan attention. For that reason, we urge lawmakers of both parties to work in good faith to develop a comprehensive fiscal sustainability plan. We believe the president's proposed fiscal commission could be an effective mechanism for doing so and that a forum with bipartisan participation would be a productive step toward addressing the nation's unsustainable fiscal path.

The key to success is a credible process. In our view, this requires the following:

- **First, the commission must be truly bipartisan.** Any effort to push swift enactment of a partisan agenda would doom the effort to failure. In addition to bipartisan co-chairs, there must be equitable representation.
- **Second, it must have a broad mandate.** While it is critical to control the growth of programs such as Medicare and Social Security -- the sources of the long-term problem -- the commission must examine all components of the budget (including discretionary spending, revenues and "tax expenditures") to offset the excessive buildup of debt already underway.
- **Third, it must have no preconditions.** If one side sets preconditions, the other will retaliate. All policy options must be open to consideration. All credible proposals should be received with respect and analyzed on their merits rather than with partisan rhetoric.
- **Fourth, it must be transparent.** The President and congressional leaders of both parties must ensure that the recommendations receive a full public debate. The public will be more receptive to the necessary hard choices if they can see the process at work.
- **Fifth, its recommendations should be voted on in Congress.** Absent this element, the report would join many others on a shelf. It is time to go beyond studying problems and solve them.

Merely forming the commission will be easy, compared to the task of actually solving the nation's fiscal problems. Still, an acceptable commission structure is an essential first step in a process that must begin soon.

In the ideal world, the nation would not need another commission. Congress and the President would simply address the pressing fiscal challenges. And our elected leaders, not an appointed commission, ultimately must make the difficult decisions. However, a bipartisan commission -- with a broad mandate and no preconditions -- could help break the current partisan gridlock, develop a credible marker for action, and open the door for those willing to address the necessary tough choices.