

FACING UP to the NATION'S FINANCES

An initiative with partners from

A nonpartisan project on the long-term challenges of the federal budget

NEWS

The Brookings Institution, The Concord Coalition, The Heritage Foundation, Public Agenda and Viewpoint Learning

The Future Depends on Tough Choices Today

Nationwide initiative brings the public and leaders together to chart the nation's financial future.

Welcome to the first newsletter from "Facing Up to the Nation's Finances," a nonpartisan initiative helping Americans confront and work through realistic choices for addressing the nation's long-term financial challenges.

It is a nationwide project developed in partnership with leaders from **The Brookings Institution, The Concord Coalition, The Heritage Foundation, Public Agenda and Viewpoint Learning.** The initiative has received support from the **Ford Foundation, The William and Flora Hewlett Foundation** and the **W.K. Kellogg Foundation.**

Facing Up to the Nation's Finances will not make recommendations on how public monies should be allocated or how the long-term deficit should be reduced.

Instead, we're organizing a nonpartisan movement of citizens and leaders in honest public dialogue to call for meaningful action in confronting the various challenges to long-term fiscal stability. Among those challenges are the impending retirements of the baby boomers, the staggering growth in health care costs, and the budget deficit and accumulated national debt.

The initiative's most intense phase of public engagement is rolling out now and will continue through 2008. The initiative is working across the nation, especially in targeted regions around the country. In each region (see page 3), we will engage the public, elected and civic leaders, and media in a serious discussion of our nation's finances and the future. ■



Comptroller General: "Americans Starved for Truth and Leadership"

In March 2007, **David Walker**, who is Comptroller General of the United States and one of the major headliners on the Fiscal Wake Up Tour being conducted by Facing Up to the Nation's Finances partner The Concord Coalition, was the subject of an in-depth interview on CBS's *60 Minutes*. Before talking about the specifics and the scale of the long-term budget problem, he made one thing perfectly clear: "We've been to 13 cities outside of Washington with the Fiscal Wake Up Tour. And I'll tell you, the American people are absolutely starved for two things: the truth and leadership."

In the course of the interview, Walker told *60 Minutes* correspondent **Steve Kroft** about the mounting pressures on the federal budget associated with the imminent retirement of the baby boom generation – the huge amount of spending that will be necessary to make good on government's promises on Social Security and Medicare. That combined with the ever-increasing payments on interest to the national debt has, he said, created a crisis. Kroft said, "You're probably expecting to hear from someone who disagrees with the Comptroller General's numbers, projections and analysis."

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The Public on the Federal Budget: We Can Handle the Truth

How much does the public know about the federal budget? Do they care about where our nation's finances are headed? And what would it take to get the public involved in a national solution to the federal budget challenge?

Those are the questions that phase one of Facing Up to the Nation's Finances addressed and were the subject of a Washington, DC press conference in December 2006.

At the press conference, the initiative released two public opinion research studies simultaneously, one from Public Agenda and one from Viewpoint Learning, both of which concluded that the public has only modest difficulty understanding the magnitude of the fiscal challenge facing the nation and, with some additional learning and structured dialogue, is willing to consider tough tradeoffs to address the growing national debt and long-term fiscal challenges. But the public's support for program cuts, reforms or tax increases comes with a major obstacle: They need to be assured that leaders share their willingness to face up to the tough choices and spend taxpayer money responsibly and for the purposes intended.

With headlines in *USA Today* declaring "Taxpayers distrust how the government spends their dollars," in *The New York Times* saying "Public's deficit fix may stun politicians" and *The Christian Science Monitor* asking "Are Americans ready for fiscal sanity?", the initiative is off to a strong start generating a national conversation on the issues and developing a better understanding of the public's point of view. ■

FACING UP to the NATION'S FINANCES

Learn, Discuss and Take Action Online



One of the things we hear from average citizens when we talk about federal budget issues is that it is difficult to find succinct, easy to understand facts and reasonable discussion about the nation's finances. Media coverage tends to be either very surface-level or isolated explorations of specific elements of the budget like Social Security, Medicare, taxes and the like. What's worse, it's almost impossible to find unbiased information that explores the complexity of the issues in a way folks can understand but doesn't try to convince people of a particular solution.

But FacingUp.org will change all that. FacingUp.org is an online destination for anyone interested in the fiscal challenges our nation faces, whether they want a basic introduction to the topic or an in-depth exploration of the facts and figures.

It's also a place for people to work through their thinking about the issues associated with the nation's financial challenges – independently or with others who care about these issues. There will be opportunities to participate in online forums and new mechanisms for citizens provide their input on how the federal budget should be formed.

FacingUp.org is an “action portal” – a place to go to find ways to take action. Whether it is participating in local dialogue sessions, joining in messages to lawmakers, writing on blogs to add your voice, or learning about national campaigns that will take the voice of citizens to leaders, FacingUp.org will be the place to find it all. For facts, discussion and action, FacingUp.org is the destination for anyone who cares about our nation's future.

To Political Leaders: “It’s Time to Pay Our Bills”


In May, Public Agenda released a new report providing political leaders with six specific, publicly supported steps that could lead to real federal budget reform. The report, *It's Time to Pay Our Bills: Americans' Perspectives on the National Debt & How Leaders Can Use the Public's Ideas to Address the Country's Long-Term Budget Challenges*, reveals the obstacles and potential in public thinking that may affect political action.

The report is based on in-depth analyses of ongoing public opinion research that began last year. The report is available for download at FacingUp.org

“While leaders who are concerned about the country's finances despair over whether the public is really willing to take the time to think about the nation's long-term financial future, the public itself despairs over whether leadership is willing to act,” said **Peter G. Peterson**, president of The Concord Coalition, former chairman of the Federal Reserve Bank of New York and a board member of Public Agenda. “This report challenges the conventional political

wisdom that Americans are apathetic and unrealistic about budget issues and sets out to help leaders understand what needs to be done to rebuild public confidence and advance concrete action to fix the nation's finances.”

“It's Time to Pay Our Bills” was featured on websites such as State House News Service, TheHill.com, US

Politics Today, Washington Business Journal, Bizjournals.com and AOL Money & Finance News. 



Facing Up Across America

In the first phase of this initiative, we conducted ChoiceDialogues in San Diego, Philadelphia and Kansas City. One of the many things we learned was that there is a deep reservoir of passion for discussion about where our nation is headed. When average people hear about the challenges to our federal budget, they want to figure out how to make things right.

Over the next two years, just as the 2008 Presidential campaign heats up, Facing Up to the Nation's Finances is going to be working in regions across America, generating conversations among citizens, political leaders and the media. We are going to provide opportunities for Americans of all stripes to come together and explore how they want to prioritize

our taxes and our programs and, basically, figure out how to plan our nation's financial future.

First up is Tennessee! The column at left provides some of the details we have about where we've been and where we're going so far. But there will be lots of opportunities for people who live anywhere in America. Check out FacingUp.org for the latest on when, where and how.



What are ChoiceDialogues?

While polls and focus groups can provide an accurate snapshot of people's current thinking, ChoiceDialogues are designed to predict the future direction of people's views on important issues where they have not completely made up their minds, or where changed circumstances create new challenges that need to be recognized and addressed. ChoiceDialogues enable people to develop their own fully worked-through views on such issues in dialogue with their peers, even if they previously have not given it much thought. By engaging representative samples of the population in this way, ChoiceDialogues provide unique insights into how people's views change as they learn, and can be used to identify areas of potential public support where leaders can successfully implement policies consonant with people's core values.

ChoiceDialogues utilize highly trained facilitators and specifically designed learning materials. ChoiceDialogues are day-long, highly structured sessions. Typically participants spend the morning familiarizing themselves with the scenarios and their pros and cons and developing (in discussion with each other) their vision of what they would like to have happen in the future. They spend the afternoons testing their preferences against the hard and often painful tradeoffs they would need to make to realize their values. These 8-hour sessions allow intense social learning in a non-confrontational setting, and they produce both quantitative and qualitative measures that are used to determine how and why people's views change as they learn.

To see a short video on how ChoiceDialogues are being used in this initiative, go to FacingUp.org.

Recent & Upcoming Events

TENNESSEE

 **ChoiceDialogue, Nashville**
April 29, 2007


 **ChoiceDialogue, Memphis**
May 5, 2007

 **ChoiceDialogue, Chattanooga**
May 12, 2007


Tennessee Fiscal Wake Up Tour Forum, Nashville July 16, 2007

Tennessee Stakeholder Dialogue July 21, 2007

FLORIDA

 **Florida Fiscal Wake Up Tour event, Tampa, May 30, 2007**

NEW HAMPSHIRE/MAINE

 **ChoiceDialogue, Portland, ME** June 9, 2007

ChoiceDialogue, Concord, NH, June 23, 2007

ChoiceDialogue, Manchester, NH, July 8, 2007

Fiscal Wake Up Tour Forum, Date TBD

Stakeholder Dialogue, Date TBD

[Look for more 2007 and 2008 events in...](#)

OREGON/WASHINGTON

Choice Dialogues in Seattle, WA, Portland, OR and a third location to be determined, Fall 2007

Washington/Oregon Fiscal Wake Up Tour, Fall 2007

Washington/Oregon Stakeholder Dialogue, Fall 2007

OHIO, 2008

NEW MEXICO, 2008

[And more to come...](#)

Comptroller General: "Americans Starved for Truth and Leadership"

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But hardly anyone does. He is accompanied on the Wake-Up Tour by economists from The... Heritage Foundation, The...Brookings Institution and the nonpartisan Concord Coalition."

Kroft noted that Federal Reserve Chairman **Ben Bernanke** validated much of Walker's take on the situation at Congressional hearings this year, and so did ranking Republicans and Democrats on the Senate Budget Committee. But few leaders are taking action to advance reform on any of the major fronts that would begin to put entitlement programs on a sustainable path.

Talking about the need to help American citizens understand the challenge and then put pressure on our nation's leaders, Walker looked in the camera and said, "If you tell them the truth, if you give them the facts, if you explain this in terms of, not just numbers but values and people, they will get it and empower their elected officials to make tough choices." ■

"Is international aid really less than 2% of the federal budget?"

Composition of Actual FY 2005 Federal Government Spending (Total Outlays: \$2.47 Trillion)

