

The New York Times

May 10, 2006

G.O.P. Fiscal Policy

To the Editor:

Re "The Pretenders" (editorial, May 9): You appear to have missed the message. Fair tax rates, especially on capital formation, give people a reason to work harder and invest more efficiently, generating more jobs and more revenue to the federal government. With tax revenues surging to record levels, the proof is in the pudding.

The Republican pro-growth tax policies enacted in 2003 have triggered two and a half years of unprecedented job creation and economic growth and tax revenue increases. We should extend these gains, not end them.

The issue of the deficit is primarily one of spending in entitlement accounts and of course paying the cost of the war and Katrina. You should focus on the looming crisis that will be brought on by the retirement of the baby boom generation.

This demographic shift will result in an explosion in the cost of entitlements, which will crush our children's chances of continuing to enjoy robust economic growth and prosperity. This should be the primary issue of fiscal policy relative to controlling the long-term deficit.

(Senator) Judd Gregg
Chairman, Budget Committee
Washington, May 9, 2006

http://www.nytimes.com/2006/05/10/opinion/l10taxes.html?_r=1&oref=slogin