



For Immediate Release
Date: January 1, 2013
Contact: Jon Romano (romano@fixthedebt.org), 617-435-6613
Pam Stevens (stevens@fixthedebt.org, 703-927-6364)

CHAIRMEN

MICHAEL BLOOMBERG

JUDD GREGG

EDWARD RENDELL

FOUNDERS

ERSKINE BOWLES

AL SIMPSON

STEERING COMMITTEE

PHIL BREDESEN

DAVID COTE

PETE DOMENICI

VIC FAZIO

JAMES B. LEE, JR.

JIM MCCRERY

SAM NUNN

JIM NUSSLE

MICHAEL PETERSON

STEVEN RATTNER

ALICE RIVLIN

SCOTT SMITH

ANTONIO VILLARAIGOSA

ROBERT ZOELICK

**Statement from the Campaign to Fix the Debt Co-Founders
Erskine Bowles and Alan Simpson**

“The deal approved today is truly a missed opportunity to do something big to reduce our long term fiscal problems, but it is a small step forward in our efforts to reduce the federal deficit. It follows on the \$1 trillion reduction in spending that was done in last year’s Budget Control Act. While both steps advance the efforts to put our fiscal house in order, neither one nor the combination of the two come close to solving our Nation’s debt and deficit problems. Our leaders must now have the courage to reform our tax code and entitlement programs such that we stabilize our debt and put it on a downward path as a percent of the economy.

Washington missed this magic moment to do something big to reduce the deficit, reform our tax code, and fix our entitlement programs. We have all known for over a year that this fiscal cliff was coming. In fact Washington politicians set it up to force themselves to seriously deal with our Nation’s long term fiscal problems. Yet even after taking the Country to the brink of economic disaster, Washington still could not forge a common sense bipartisan consensus on a plan that stabilizes the debt.

It is now more critical than ever that policymakers return to negotiations that will build on the terms of this agreement and the spending cuts in the Budget Control Act. These future negotiations will need to make the far more difficult reforms that bring spending further under control, make our entitlement programs sustainable and solvent, and reform our tax code to both promote growth and produce revenue. We take some encouragement from the statements by the President and leaders in Congress that they recognize more work needs to be done. In order to reach an agreement, it will be absolutely necessary for both sides to move beyond their comfort zone and reach a principled agreement on a comprehensive plan which puts the debt on a clear downward path relative to the economy.”

###

For more information on the Campaign to Fix the Debt, please visit www.fixthedebt.org.