

Economic Recovery

Before taking on the long-term fiscal challenges facing the country, participants spent time talking about the economic recovery and their greatest concerns.

The most common responses across the country included:

- Unemployment and lack of jobs
- Debt and deficit – both for the government and personally
- Pace of recovery is too slow – “It’s far from over and fixed”
- Too much spending and involvement by government
- Increasing gap between rich and poor
- Lack of support for small business
- People are very discouraged about the economy and don’t fully trust our elected officials to fix it

So far this year, do you think economic conditions are getting better, worse or about the same?	%
Better	4%
Somewhat better	30%
About the same	25%
Somewhat worse	19%
Worse	23%
How supportive or unsupportive are you of Congress spending more on programs like this if that spending increases the budget deficit?	
Supportive	32%
Somewhat Supportive	19%
Neutral	11%
Somewhat Unsupportive	12%
Unsupportive	26%
Do you think the government should be doing more or less to strengthen the economy?	
More	61%
About the Same	14%
Less	25%

Polling on Values to Guide Tough Choices: To begin the budget discussion, participants discussed the “core values that should guide our decisions about our country’s fiscal future.”

On a scale of 1-7, what are the core values that should guide decisions about our country’s fiscal future?							
1 – Taking care of current generations	3%		1 – Share the burden of reducing the deficit equally	9%		1 – The government is responsible for taking care of our most vulnerable people	13%
2	4%		2	7%		2	18%
3	6%		3	7%		3	15%
4	43%		4	13%		4	21%
5	22%		5	20%		5	12%
6	15%		6	24%		6	13%
7 – Taking care of future generations	6%		7 – Place a greater burden for reducing the deficit on those that are more capable	20%		7 – Individual responsibility to take care of oneself	8%

Tough Choices: Deciding, Reflecting and Committing: Participants engaged in a three-part activity that helped participants consider the tradeoffs between options by working towards a goal of reducing the annual deficit by \$1.2 trillion in 2025. After making initial choices, the tables discussed ways to align their choices with their values and how, if at all, they wanted to modify their choices to meet the target.

Polling on Deficit Reduction Options

Health Care: Medicare and Medicaid:

- Reduce spending by 5% 27%
- Reduce spending by 10% 16%
- Reduce spending by 15% 19%
- No change 38%

Social Security:

- Raise age for receiving full benefits to 69 years of age 52%
- Limit increases in starting benefits for all but the lowest wage earners 30%
- Change the formula for raising benefits each year to reflect a lower rate of inflation 32%
- Raise the 12.4% payroll tax gradually to 13.4% by 2025 25%
- Raise the 12.4% payroll tax gradually to 14.4% by 2025 42%
- Raise the limit on taxable earnings so it covers 90% of total earnings in America 85%
- Create personal savings accounts within the system 27%
- No change 23%

All Other Non-Defense:

- Reduce overall spending in this category by 5% 26%
- Reduce overall spending in this category by 10% 16%
- Reduce overall spending in this category by 15% 27%
- No change 32%

Defense:

- Reduce overall spending in this category by 5% 16%
- Reduce overall spending in this category by 10% 18%
- Reduce overall spending in this category by 15% 51%
- No change 15%

Raising Existing Taxes

- Raise personal income taxes by 10% for everyone 20%
- Raise personal income tax rates by 20% for everyone 8%
- Raise personal tax rates by 10% for everyone in the top two tax brackets 18%
- Raise personal tax rates by 20% for everyone in the top two tax brackets 48%
- Create an extra 5% tax for people earning more than \$1 million a year 68%
- Raise the tax rate on capital gains and dividends 48%
- Raise the top corporate income tax rate to 40% from 35% 59%
- No change 44%

Reduce Deductions and Credits

- Limit the value of itemized deductions to 28% 44%
- Convert the mortgage interest deduction into a credit 42%
- Limit the deduction for state and local taxes, real estate, and personal property 27%
- Limit corporate depreciation for equipment 51%
- End the business deduction for domestic production 16%
- No change 45%

Reform the Tax Code:

- Use 90 percent to lower tax rates and 10% to reduce deficit 5%
- Use 80 percent to lower tax rates and 20% to reduce deficit 9%
- Use 70 percent to lower tax rates and 30% to reduce deficit 36%
- No change 50%

Create New Taxes

- Create a 5% Value Added Tax 27%
- Create a carbon tax 64%
- Create a securities transactions tax 61%
- No change 35%

Some Additional Options Generated by Participants

- Reduce overall defense spending by more than 15%
- Remove the limit on earnings subject to Social Security payroll tax
- Reform the tax code by moving to a flat tax
- Single-payer system should be another option for health care



How Did the Meeting Work? AmericaSpeaks was designed and facilitated using the unique 21st Century Town Meeting[®] format developed by AmericaSpeaks, a national non-partisan non-profit organization. AmericaSpeaks is well known nationally and internationally for engaging over 150,000 citizens in complex public issues, including New Orleans recovery, designing of the World Trade Center site after 9/11, and social security reform.

To increase participation and input, participants were seated in small groups of 8-10. A skilled facilitator worked with each small group throughout the day to ensure each person had an opportunity to be heard. The meeting's lead moderators presented discussion questions to the group and the ideas from each discussion were collected through networked computers stationed at each table. A team of data analysts reviewed the comments from all of the tables simultaneously and reported the common ideas back to the group.

Then, using keypad polling devices, the participants reviewed and prioritized these ideas in order to develop clear messages to national leaders. The results from the polls were reported instantly to the group via large video screens. Polling was used both to gather demographic information and to give participants the opportunity to prioritize their comments.

In order to ensure that information presented to the public was as unbiased as possible, AmericaSpeaks worked with a diverse National Advisory Committee to solicit comments and feedback. Prior to discussing and making choices, participants listened to presentations about the issues, reviewed an Options Workbook, and discussed them one-by-one at their tables.



Participating Sites

This preliminary report contains results from the following 19 participating sites: Albuquerque, NM; Chicago, IL; Columbia, SC; Dallas, TX; Philadelphia, PA; Portland, OR; Augusta, ME; Casper, WY; Des Moines, IA; Detroit, MI; Grand Forks, ND; Jackson, MS; Los Angeles County, CA; Overland Park, KS; Louisville, KY; Missoula, MT; Portsmouth, NH; Richmond, VA; Silicon Valley, CA. The final report will also include results from 40 volunteer-organized community conversations around the United States.

Please Note: This preliminary report does not include the results from the final participant discussions that created messages to leaders and identified next steps, as well as final polling of participants' experience of the meeting. Complete results from the AmericaSpeaks: Our Budget, Our Economy Meeting will be available on the project website: www.usabudgetdiscussion.org. AmericaSpeaks will present the priorities that emerge from the National Town Meeting to Congress and the White House, as well as the National Commission on Fiscal Responsibility and Reform and the Bi-Partisan Policy Center's Debt Reduction Task Force.