



## **The Outline for Prosperity**

### **Sustaining the Path for Prosperity – Next Steps on the Journey**

#### **Sustaining the Path for Prosperity and Economic Growth**

Business has played a fundamental role in the American journey toward fairness and prosperity. Democracy allows a free and open society to flourish and evolve, and encourages innovation and the creative spirit. Our system of checks and balances protects individual liberties and standards of trust in commerce.

The path to sustainable prosperity is open to diverse points of view. However, free enterprise and prudent government involvement are fundamental in moving the nation forward on that path. Business has a responsibility to earn and maintain trust. Government has a responsibility to ensure that the rules of engagement are fair, transparent and promote growth and competition. Policies should be promoted that maximize opportunities for growth, efficiency and transparency, and minimize government intrusion.

#### **Fiscal Responsibility**

In order to unleash the potential of the economy, fiscal responsibility is fundamental. Government should take steps to reduce the federal deficit through restraint on discretionary spending and reform of entitlement programs. The goal should be a balanced budget within the context of a safe and secure America.

#### **Fair and Competitive Tax Policy**

The current tax code represents a drag on economic growth and policy makers should support efforts to move towards a simpler and fairer tax code that promotes economic growth. In particular, the tax code should encourage savings and investment and enable U.S. companies to better compete in the global marketplace. Policy makers also should support efforts to enact a permanent R&D tax credit and make permanent the tax relief enacted in the past four years including individual rate cuts, reduced rates for dividends and capital gains and repeal of the death tax.

#### **Global Competitiveness**

Prudent and timely policies that promote free and open trade are fundamental building blocks for investment, expansion, opportunity and job creation. The U.S. must aggressively pursue and complete bilateral and multilateral trade agreements that will expand economic growth in the future.

International exchange rate regimes based upon economic fundamentals and free markets should be supported thereby ensuring that no single country can artificially manipulate its exchange rate to harm and distort world markets.

Compliance with trade agreements and enforcement of U.S. trade laws should have equal priority with further market opening measures, so as to ensure that U.S. manufacturers can compete on a level playing field and see meaningful gains globally and in the U.S..

## **Defense and Homeland Security**

A strong defense and homeland security policy is critical to the ability of business to flourish. Support for world-class defense capability is important for the protection of Americans at home and abroad. It is also essential to many of our strategic global relationships. The private-public contributions toward increasing security while maintaining personal liberties are vitally important. This collaboration should be encouraged in seeking additional solutions to security. Government should resist policies geared toward overregulation, creating unfunded mandates or systems that are not adequately reviewed or funded. Where collaboration is important, consideration should be given to incentives which enhance security related development and minimize risks due to terrorism

## **Education**

The US must improve math and science capability in order to remain competitive in the global marketplace. Federal education and workforce policies should be aligned around core principles focusing on raising student achievement, increasing higher education attainment and streamlining workforce training/retraining. Robust implementation of the No Child Left Behind Act and support for funding and initiatives that help pre-school through post-secondary education programs should be encouraged. The education system must have highly qualified teachers who demonstrate subject area competency. Policies should be supported which allow alternative certification routes while maintaining quality control measures.

## **Energy**

Policies should be supported to promote supplies of reliable and affordable energy in addition to energy efficiency and market based alternatives. Frameworks and mechanisms that strengthen the delivery and infrastructure without adding cost to taxpayers should also be encouraged. Support for foreign policies that assist U.S. companies in bringing sources of energy to the global market with reasonable environmental protection is essential.

## **Health Security**

As the United States' population ages, health in all dimensions is a critical component of the economy and workforce. Policies that reduce federal mandates, encourage innovation and foster market place reforms should be supported. Ideas designed to reduce costs while creating opportunities for coverage that previously did not exist should be examined. It will be important to ensure that the Medicare Modernization Act is successfully implemented and that actions are taken to improve information technology. It will be important to support basic medical research and create incentives for disease prevention and wellness. Further policy reforms should preserve the ERISA standards that provide for employer innovation; oppose expanded litigation which may result in more uninsured; oppose efforts to prescribe once-size-fits all government coverage and encourage incentive-based options such as Association Health Plans and expanded Health Savings Accounts.

## **Immigration**

Policies that protect our borders should be supported. The workforce however is in short supply of certain specialties, including math and science based professionals.

Policies to permit an appropriate number of temporary visas for highly skilled foreign workers should be developed to provide an acceptable longer-term solution. A smooth functioning visa process that reduces the burden of illegal immigration is essential to those attempting to conduct global commerce.

### **Lawsuit Abuse**

Policies that seize the opportunity to restore fairness, predictability and efficiency to the state and federal civil justice systems will be supported.

Steps should be taken to eliminate lawsuit abuse including Asbestos, Class Action, and Medical Malpractice reforms. Efforts to weaken, delay or prevent forward movement of these reforms should be opposed. Progress on these fronts will move billions of dollars from litigation to capital investment that will result in economic growth and jobs.

### **Retirement Security**

Policies affecting the fiscal fundamentals of Social Security, Medicare and pension reform must be economically sound and predictable in order to ensure the stability and deliverability of these programs.

Timely action on Social Security is key to ensure a strong and robust program for this generation and beyond. Policies must ensure that those at or near retirement will be unaffected by changes in policy. Decisions made should ensure the long-term fiscal stability of the program. Further, the notion of personal accounts is an essential element of the long-term solution. Finally, additional taxes on individuals or businesses should be opposed: tax increases divert resources from important pro-growth objectives including investment and job creation.

### **Sustainable Growth and Technology**

Policies should be supported that will promote the faster development and utilization of technology in manufacturing and other parts of the economy so as to spur investment, innovation, and productivity. Federal funding of basic science is an essential goal and should be strongly supported.

New efforts should be undertaken so that the U.S. can lead the way toward a global patent system that is harmonized, electronically enabled, prompt, and cost-based. Efforts should be supported to reduce the time required to obtain U.S. patents. Initiatives to enable the U.S. to catch up to other nations that have moved ahead in broadband deployment should also be supported.

Support should also be encouraged for policies fostering growth in emerging technologies, biotechnology and other mechanisms that permit expansion of goods and services. This includes reducing regulation of the technology sector to permit competition and updating policies where necessary to encourage innovation. Ensuring protection of product codes and intellectual property rights and taking action to reform patent law and encryption policies is also essential.

Performance based standards and scientifically based risk assessments should be employed when considering new requirements. Costly regulatory actions that do not have prudent empirical foundations should be avoided. Streamlining the regulatory

process, in addition to harmonizing standards, compliance and deadlines should be supported along with oversight efforts to sunset anachronistic policies.

Policies should also be supported to ensure against unintended consequences with respect to individual privacy and the nation's economy.

### **Transportation**

American businesses succeed on their ability to deliver products and services to customers at specific times in specific places. America's transportation infrastructure is critical to this success. Maintaining and improving America's transportation infrastructure is a high priority that should be pursued with sufficient, but wisely allocated funding. Opportunities to improve the operational efficiency of our transportation networks should be carefully considered.

### **The Outline for Prosperity**

Key to the business community's success in 2004 was its agenda for political action – the Outline for Prosperity. Developed by a coalition of American business leaders, the Outline is a statement of issues on which the business community is unified. It also serves as the community's fundamental "agenda" for Congress, and is one yardstick by which candidate performance is evaluated and political investments are weighed.

The Outline is based on free enterprise and prudent government involvement, and calls for action in three categories of business-related issues: improving the economic environment, preserving the quality workforce and expanding economic opportunity.

The Outline for Prosperity is distributed to all federal elected officials, the press and businesses throughout the country.

### **About BIPAC**

Since 1963 BIPAC has stood at the intersection of issues and elections, directing business leaders to the people who can support their priorities and the path to resolution. Founded as an independent, bipartisan group to serve as the political action arm of American business and industry, BIPAC's mission is to identify, endorse and elect champions of free enterprise to the U.S. Congress and to encourage greater business participation in the political process. BIPAC takes an integrated, strategic approach to politics that includes PACs, grassroots and advocacy.

There are two distinct but related entities that comprise BIPAC: the Action Fund, or political action committee, which raises and contributes "hard dollars" and fully comports with the regulations of the Federal Election Commission, and the Business Institute for Political Analysis, which serves as the corporate operational core of the organization and is funded by a variety of sources including corporate, association and personal contributions. BIPAC also serves to administer the 501(c)(3) Friends of Adam Smith foundation.

Taken as a whole, BIPAC political analysis, research and communication on campaigns and elections, and our programs to create and implement business participation in the political process, have revolutionized the way American business conducts its political affairs.