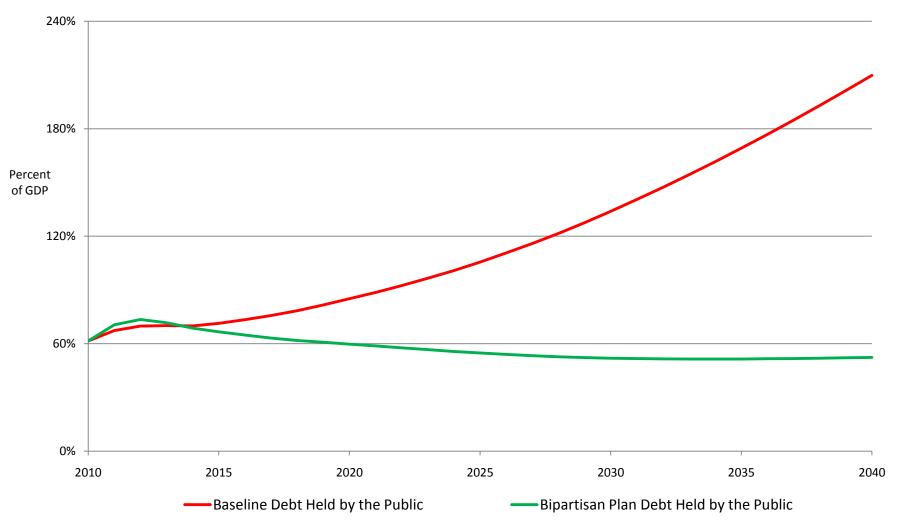
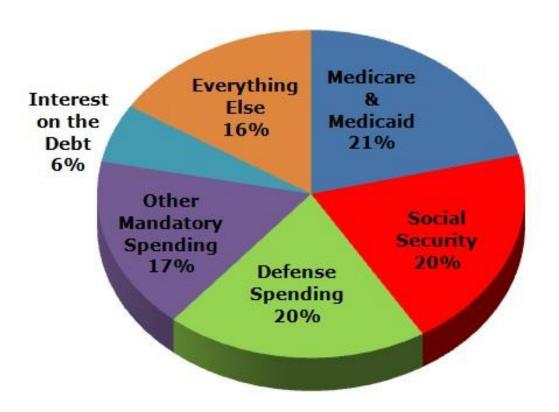


Source: CBO "Alternative Fiscal Scenario" constructed from the August 2010 Budget and Economic Outlook, additionally assuming that troops in Iraq and Afghanistan are reduced to 30,000 by 2013.



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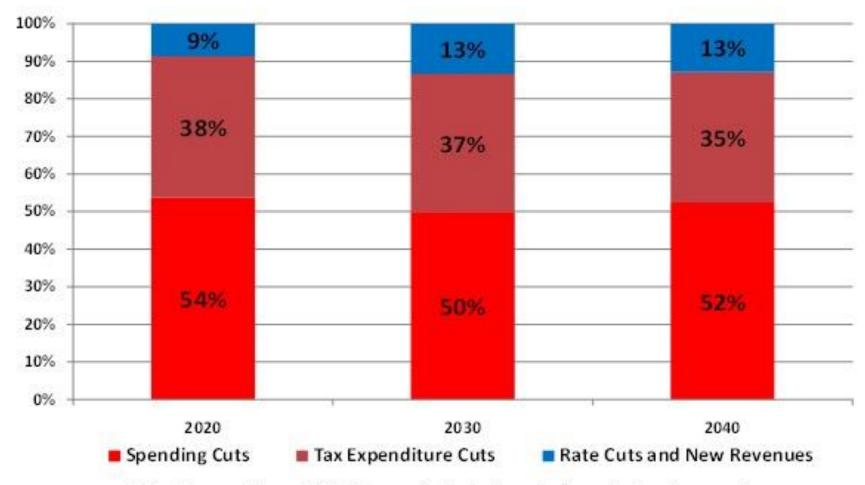
- All domestic discretionary programs that are funded annually (including education, veterans' health care, homeland security, law enforcement, etc.) make up only 16% of federal spending.

- There is no feasible way to tackle our budget problem without making difficult choices regarding Medicare & Medicaid, defense, Social Security, and revenues.



4

SOURCES OF DEBT REDUCTION IN BPC PLAN: SPENDING CUTS, TAX EXPENDITURE CUTS, AND NEW REVENUES



Note: The spending cuts total does not include the reduction of interest payments



RESTORING AMERICA'S FUTURE: COMPOSITION OF BUDGET SAVINGS

