



TO: Interested Parties

FROM: Stephanie Cutter, Obama for America Deputy Campaign Manager

SUBJECT: What to Expect in Tonight's Debate

Tonight, the President and Mitt Romney will debate each other for the first time. Both sides have worked to set expectations on their candidates – from the amount of time the candidates have spent preparing, to the number of “zingers” Mitt Romney has memorized.

But, the American people aren't going to pick the winner of this debate based on style or good attack lines. If they were, then the Republican Convention's “empty chair” moment should have been a great success.

Instead, they're going to pick the winner on substance. They're looking for the candidates to lay out specific, concrete policies to move this country forward, not back to the same policies that created the crisis in the first place and punished the middle class. Tonight provides an opportunity for both President Obama and Mitt Romney to do that.

The President looks forward to that conversation – because it's one he started six years ago and has continued ever since. In taking emergency steps to save the economy from another depression, rescuing the auto industry, reforming health insurance, putting new rules in place for Wall Street, cutting taxes for small businesses and the middle class and helping more Americans afford a college education and pay their mortgages, the President has made real and significant progress with one goal in mind: to restore middle class security. We've now had 30 straight months of private-sector job growth, during which businesses have created 5.1 million jobs.

For the next four years, President Obama has laid out real and achievable goals, and a specific path to get there, restoring middle-class security and creating jobs and long-term economic growth.

Mitt Romney comes to this debate in a different position. He doesn't have any specific plans to move us forward – only tired repeats that will take us back. On job creation, deficit reduction, and the middle class, Romney's promises are nothing more than platitudes covering up a collection of contradictory positions. In short, they aren't serious steps to move our country forward. So, Romney can use tonight's debate to fill in those details and finally, for the first time, explain his proposals or readjust his positions. Or he can spend 90 minutes doing what he does best: attacking the president, distorting his own record, and avoiding any and all details on

his plans for this country.

Here are a few of the promises and contradictions we'll likely hear tonight:

- **First, we'll likely hear about Romney's "five-point" plan.** But it's hardly a plan. Like everything else Romney has proposed, it is conveniently detail-free and, thanks to Romney's contradictory positions, impossible to achieve.

Step 1: Mitt Romney has promised to make North America (not the United States) energy independent by 2020. He has not proposed any steps that would make a meaningful impact on energy independence and security. His plan includes approving the Keystone pipeline, handing federal lands over to the states to control drilling and leasing, rolling back environmental protections on permitting, and ceding the clean energy economy to our overseas competitors by eliminating federal investments in clean technologies. Knowing the United States holds less than 3% of the world's oil reserves but consuming 20% of its supply, drilling alone will never eliminate our reliance on foreign oil.

Romney rejects the steps necessary to responsibly develop all of our natural resources, reduce oil consumption and create jobs – including using alternative sources of energy and nearly doubling fuel efficiency standards, as the President has done and which will reduce U.S. oil consumption by about 2.2 million barrels per day. It shouldn't be a surprise that Mitt Romney believes he can make us energy independent by simply drilling for more oil and continuing to give Big Oil \$4 billion a year in taxpayer subsidies. After all, the Romney campaign admitted its plan was written in consultation with oil executives, and Romney has raised millions of dollars from the oil industry.

Step 2: Mitt Romney promises to champion small business. But how? What are the details? We don't know. However, we do know is that in order to pay for his \$5 trillion tax cut skewed toward millionaires and billionaires, Romney would have to raise taxes on the middle class, including as many as 30 million small business owners. He would also eliminate taxes on foreign profits for corporations, making it harder for small businesses to compete on a level playing field. By contrast, President Obama has cut taxes on small business owners 18 times – and has proposed continuing tax cuts for 97 percent of small businesses and creating additional tax cuts to small businesses that hire and invest.

Step 3: Mitt Romney promises to improve schools, but provides little detail as to how. The little we do know about Romney's promise makes it impossible for him to fulfill it. Romney would abandon a national commitment to improving our lowest-performing schools, a proposal that led former Bush education secretary Margaret Spellings to resign from his campaign. He would replace accountability requirements for failing schools with a school "report card" that already exists. He would also expand

school voucher programs that have repeatedly failed to raise student achievement and would divert funds away from public schools that serve the majority of our children. Romney has argued that smaller classes are “not relevant” to student achievement, and supports his running mate Paul Ryan’s budget that could slash education – including Pell grant scholarships for 10 million kids and funding for 65,000 educators – while he pushes for additional tax cuts for millionaires. Instead of solutions to help young people go to college, he advised students to “shop around” if they’re worried about affording tuition. This is the same Romney who as governor of Massachusetts inherited one of the top school systems in the nation but enacted the second largest percentage cuts to education in the nation in his first year of office. And even as he cut support for higher education and financial aid in his first year, college costs had skyrocketed by the end of his first term, with fees at public colleges and universities increasing 63 percent.

Step 4: Mitt Romney promises to forge new trade agreements, but ignores President Obama’s achievement in signing three new trade agreements. What we do know about Governor Romney’s policies and past positions make it very difficult to believe he can achieve this goal. Today he talks tough about making China play by the rules, but not long ago he criticized President Obama for standing up for American tire workers when Chinese tires were flooding the market, arguing that the President’s policy was “decidedly bad for the nation and our workers.” Romney has also led investments, as head of Bain Capital, in companies that outsourced to China and in a Chinese company that promoted its exploitation of low-wage labor and its low tax rate to investors. . Romney’s tax plan would also provide new incentives for companies to outsource by eliminating U.S. taxes on foreign profits, which one economist estimates could create 800,000 jobs in other countries, including India and China.

President Obama signed historic trade agreements with Columbia, Panama and Korea – which will result in more economic output than the previous 9 trade agreements combined. has put us on a path to doubling our exports while working to negotiate a new Trans-Pacific Partnership that will open markets representing more than 40 percent of global trade. He has also fought for a level playing field for American businesses and workers, proposing tax reforms that end incentives for shipping jobs overseas, rewarding businesses that bring jobs back home, and filing twice as many challenges against China’s unfair trade practices in one term as his predecessor did in two.

Step 5: Governor Romney’s promise to balance the budget is one of the most far-fetched, unachievable promises he’s made on this campaign. He has promised to balance the budget in eight to 10 years. But, he has rejected approaches to balanced deficit reduction like the one put forward by Simpson-Bowles – making clear he wouldn’t accept one dollar in new revenues from the wealthiest Americans even if it was contingent on ten times as much in spending cuts. Instead, he has proposed \$5 trillion in new tax cuts weighted towards the wealthy and \$2 trillion in additional defense spending

the Pentagon hasn't asked for, meaning he would need \$7 trillion in tax increases and spending cuts before even starting to address our deficits. Romney supports the Ryan budget's draconian 20-percent cuts to annual domestic spending, which would weaken key investments in innovation, education, infrastructure and clean energy – but even those cuts would leave him trillions short of fulfilling his empty deficit promises.

That's in contrast to President Obama's balanced plan to reduce deficits by more than \$4 trillion using the same balanced approach as Simpson-Bowles – cutting spending while asking for the wealthiest Americans to contribute more. President Obama's plan has been scored by the independent Congressional Budget Office, which showed it would reduce deficits over time and stabilize the debt as a share of the economy.

- **Second, we'll hear Governor Romney promise to create 12 million jobs in the next four years.** What he won't say is that independent economists have projected that same number of jobs will already be created over the next four years under current policy. And outside analysts have estimated that Romney's budget plan – which cuts investments in areas that fuel growth and job creation like education, manufacturing, clean energy and infrastructure – would contract the economy and eliminate nearly 2 million jobs over the next two years. In fact, nothing about Romney's record suggests that he will actually create the jobs he has promised. As a corporate buyout specialist, he profited off of outsourcing jobs and from companies that went bankrupt, and as governor of Massachusetts, his state fell to 47th in job creation.
- **Third, Governor Romney will identify tax cuts weighted towards the wealthiest as a panacea for our economic challenges, even though they led to the slowest pace of job creation since World War II when we tried them 10 years ago.** Romney has never explained how he would pay for his massive new tax cut for the wealthiest. Even the economists he says support his claims [acknowledge he'd have to cut tax breaks essential to the middle class](#) – like the mortgage-interest deduction – in order to pay for those tax cuts. Romney won't name which deductions he'll eliminate, asking voters to trust that he'll work it out with Congress after the election. And Paul Ryan said on Sunday that he just didn't have the time to explain it. Tonight's 90-minute debate should give Romney more than enough time to finally explain how the math of his plan works.
- **Fourth, Governor Romney states emphatically that he'll repeal Obamacare.** The immediate consequences for consumers would be drastic: from forcing seniors to pay hundreds of dollars more for prescription drugs and preventive care to allowing insurance companies to drop you when you get sick, cap your benefits, or deny you coverage because of a pre-existing condition. What has Romney put on the table in its place? He promises to protect only those with “continuous coverage” from discrimination because of a pre-existing condition. This, along with his plan to send Medicaid back to the states

isn't a serious proposal to reform our health care system – it is a series of talking points that increases costs and leaves millions more uninsured.

So, what's the net impact of Romney's plans? According to a report prepared by Jonathan Gruber, one of the architects of both Romney's Massachusetts plan and Obamacare, it would nearly double premiums and out-of-pocket costs in the individual market – raising them by 92 percent, or an extra \$5,496 – as compared to the President's plan. At the same time, an additional 51 million Americans would be uninsured.

Tonight will surely be interesting. Expectations are set – if history tells us anything it's that, as the challenger, Mitt Romney is likely to be called the winner by pundits. But the real test will be the reaction of the voters watching at home. Americans have been clear about what they want to see – and where they believe Mitt Romney has fallen short.

The American people have a very simple question for Mitt Romney after six years of watching him run for president: How, specifically, are you going to get it done? How are you going to pay for it? His silence on this crucial question has been deafening. If he's confident in his policies and proposals, he'll stop hiding how he's going to achieve them from the American people.

But Mitt Romney knows what independent experts have been saying for months, and so do voters: the details of his plans are bad for the middle class and damaging to his own case for the presidency.