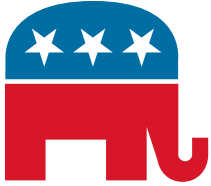


# THE CANDIDATES



On November 2, Americans will choose the country's top executive for the next four years. ★ ☆ ★ To help readers and the New York Stock Exchange community better understand each party's platform, particularly as it relates to business, *nyse magazine* invited President George W. Bush and Senator John Kerry to share their positions on issues such as the economy, jobs, taxation, trade policies and other important topics that concern our readers. Their views, in their own words, are presented in the following pages. ★ ☆ ★

## CREATING AN ENVIRONMENT FOR BUSINESS



The role of government is not to create wealth. The role of government is to create an environment in which the entrepreneurial spirit can flourish, in which people are encouraged to invest and save, and in which there is confidence in the future of the country.

That confidence was challenged in recent years by a stock market downturn that began in the summer of 2000, a recession that was beginning as I took office, corporate scandals long in the making and terrorist attacks against our nation. So we acted, and the result has been across-the-board tax relief, small businesses investment incentives, lower dividend and capital-gains taxes, and the strongest corporate governance reforms since President Franklin Roosevelt.

Today, thanks to these policies and the innovative spirit of America's workers, entrepreneurs, farmers, ranchers and investors, our economy is strong and growing stronger.

Between August 2003 and August 2004, our economy added about 1.7 million new jobs. The unemployment rate fell to 5.4 percent, nearly a full point below its peak and lower than the average rate of the 1970s, 1980s and 1990s. But there is more work to do. The world economy is changing dramatically. The global market is expanding, creating new markets for our goods and new competition for our people.

To continue creating jobs and opportunity in America, we must make sure that America remains the best place in the world to do business. That starts with encouraging investment and expansion by restraining Federal spending, reducing regulation and making tax relief permanent. We also need to make America less dependent on foreign sources of energy, to expand trade and to level the playing field for American goods and services across the globe. And we must protect workers, investors and small business owners from the frivolous lawsuits that threaten jobs across America.

Another drag on our economy is the tax code, which is a complicated mess filled with special-interest loopholes that saddle our America with more than 6 billion hours of paperwork and headache every year. The American people deserve a simpler, fairer, pro-growth system. I intend to lead a bipartisan effort to reform and simplify the Federal tax code.

I will also continue working to build an ownership society in America. Our nation is stronger when more people own their homes, their own health plans and a piece of their retirement. We will strengthen Social Security by giving younger workers the option of saving some of their taxes in a personal account, a nest egg they can call their own and pass on to their children and grandchildren.

With all of these proposals we will provide American workers and investors with a path to greater opportunity, more freedom and more control over their lives.

American workers, entrepreneurs and investors built this country and they continue to build our nation's prosperity today. For that they have our gratitude and our confidence. They also have my commitment to continue pursuing policies that empower the individual, rather than the government, and that keep America's economy the best economy in the world. — **BY GEORGE W. BUSH**



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"THE ECONOMY NEEDS SHORT-RUN STIMULUS WITHOUT INCREASING THE LONG-RUN DEFICIT."

“With sound economic policies and smart investments in the future, the American economy can do much better than it has done in the last four years.”

## A FOUR-PART PLAN FOR AMERICA'S FUTURE



The American economy can do much better than it has done over the last four years. Since January 2001, the economy has lost 1.6 million private-sector jobs. This is the first time we have seen job loss under a president in over 70 years. At the same time, businesses are investing less than they were four years ago, and exports are down.

There is no question that the American economy got some bad breaks, including the bursting of the tech bubble and the horrific tragedy of 9/11, which also affected our economy. But the President should not be telling us about what went wrong; he should tell us what he did to make it right. And unfortunately, his policies have been a failure. The economy needed short-run stimulus without increasing the long-run deficit. Instead, President Bush got it backwards, passing tax cuts that Goldman Sachs described as “especially ineffective as a stimulative measure” while increasing the long-run deficit. As a result, our long-term fiscal outlook is \$10 trillion worse than it was just four years ago.

I have a four-part plan to take America in the right direction by restoring sound economic policies and investing in our future:

First, to create good paying jobs I am promoting the most sweeping reform of international taxation in more than 40 years. My plan would end the tax incentives that encourage companies to locate production and jobs overseas and use the savings to cut the corporate tax rate by 5 percent — a tax cut for 99 percent of taxpaying corporations. Also, I support opening markets abroad. To ensure that trade is a race to the top I would insist on strong and enforceable labor and environmental standards in all new trade agreements and would do more to enforce our current agreements, including stopping China's illegal manipulation of its currency.

Second, I will relieve the middle-class squeeze by cutting taxes for middle-class families and reining in spiraling health costs. My plan would cut taxes for 98 percent of families, extending and making permanent the current middle-class tax cuts and providing new tax cuts for education, child care and health care. My health plan would cut the cost of health insurance by up to \$1,000 for a family through tax credits, premium relief for the highest-cost health cases, better use of information technology and disease management, and malpractice reform that includes a “three strikes and you're out” rule for lawyers who file frivolous cases.

Third, I will restore America's competitive edge. Unfortunately, America has been falling behind, one example being the fact that we are now 10th in the world in broadband penetration. My plan would put science first, pushing for research on stem cells, the next generation of energy technologies and a plan to ensure that the entire country has access to broadband. I would push for more investment in education, including an emphasis on math and science and a tax credit on up to \$4,000 of tuition for four years of college.

Finally, my plan would restore fiscal responsibility and halve the deficit in four years. I would pay for my proposals by reining in out-of-control spending, cutting corporate welfare, eliminating wasteful government programs and rolling back the Bush tax cuts for families making over \$200,000. I would push for tough budget rules that would require that all spending and tax cuts are paid for — and ensure that total discretionary spending, excluding security and education, does not grow faster than inflation. Spending that increases faster than inflation would be automatically cut.

The dynamic American economy, and its entrepreneurs, businesses and workers, is truly remarkable. In the 1990s, it created 23 million new jobs with record investment, a rising stock market and higher incomes across the board. With sound economic policies and smart investments in the future, the American economy can do much better than it has done in the last four years. — **BY JOHN F. KERRY**