ComebackAmericaInitiative

Keeping America Great

Transforming Government to Make it More Effective and Sustainable

Global Conference on Public Financial Management
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The Comeback America Initiative
and
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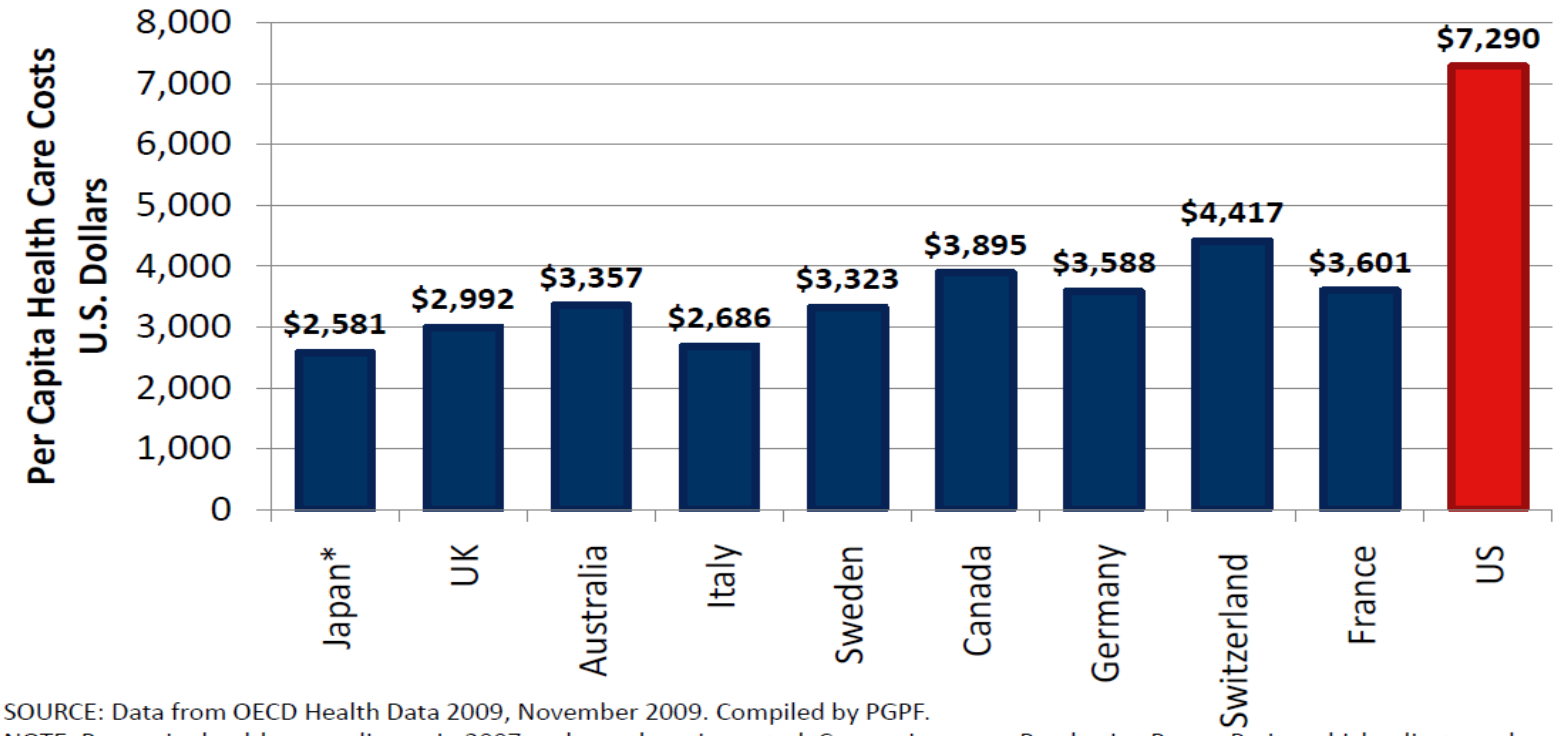
Comparative Health Costs

Peter G. Peterson Foundation
Our America. Our Future.

Currently, Americans spend about twice as much per capita on health care than other OECD countries with no appreciable difference in health outcomes



SOURCE: Data from OECD Health Data 2009, November 2009. Compiled by PGPF.
NOTE: Per capita health expenditures in 2007, unless otherwise noted. Comparison uses Purchasing Power Parity, which adjusts exchange rates to assume identical price of goods in different countries.
*Japan data from 2006.
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Health Care Outcomes

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Generally, while the U.S. spends more on health care than other countries, its health outcomes are no better

Outcome	Rank (out of countries reporting)
Heart Attacks • U.S. = 4 deaths per 100 people in 2005	9th out of 23
Life Expectancy at 65 • U.S. = 17.4 years for men (2006) 20.3 years for women (2006)	19th out of 30, men 15th out of 30, women
Infant Mortality • U.S. = 0.7% deaths per live birth in 2006	28th out of 30
Obesity • U.S. = 34% over age 15 in 2006	14th out of 14

SOURCE: Data from OECD, *Health Data 2009* (November 2009). Compiled by PGPF.

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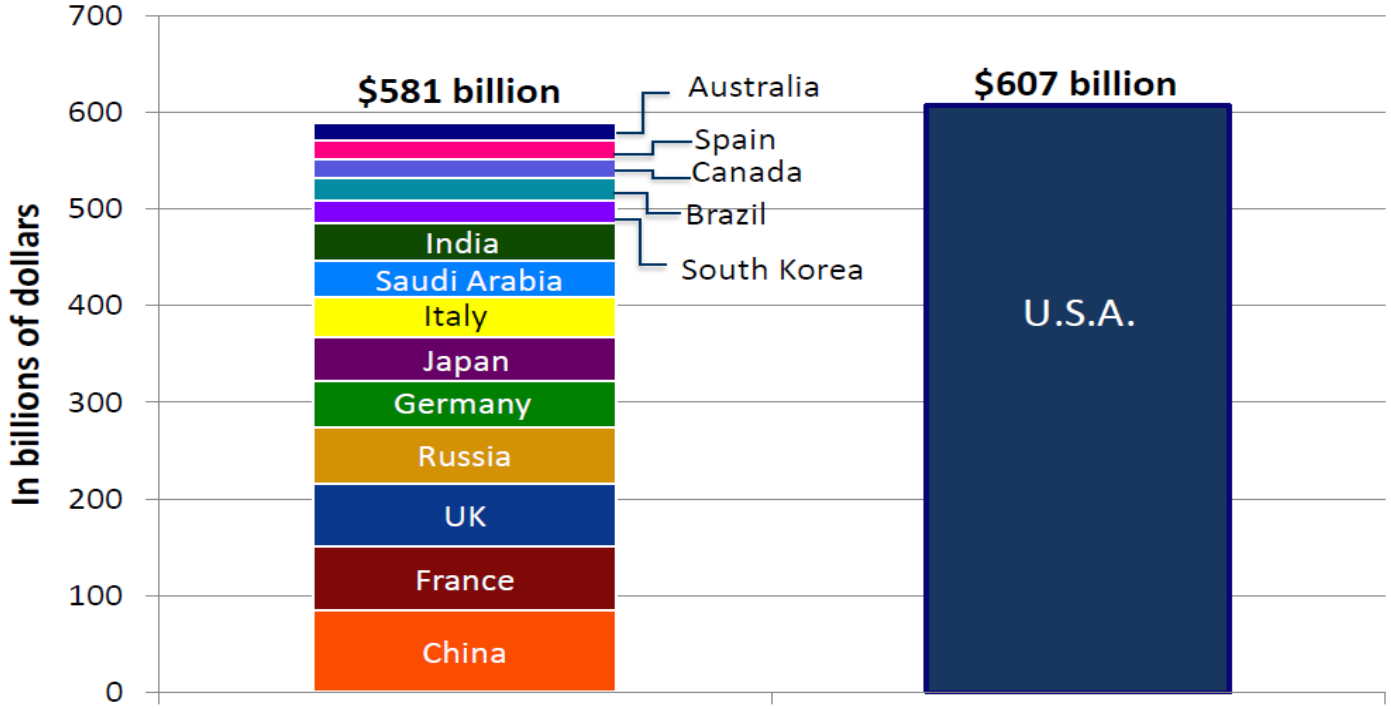
Relative Defense Spending

The U.S. spent more on defense in 2008 than did the countries with the next 14 highest defense budgets combined



SOURCE: Data from Stockholm International Peace Research Institute, *15 Major Spender Countries in 2008*. Compiled by PGPF.

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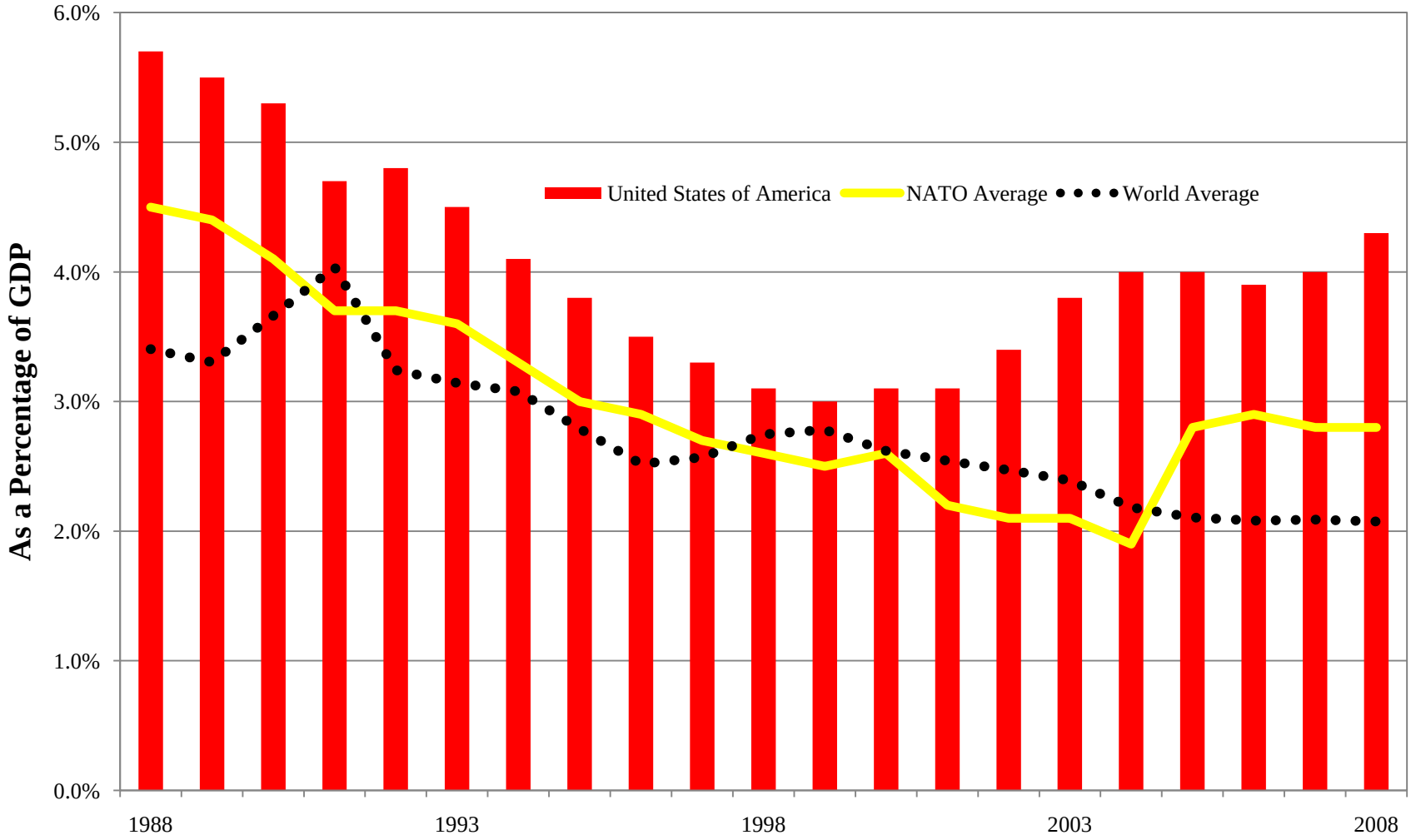
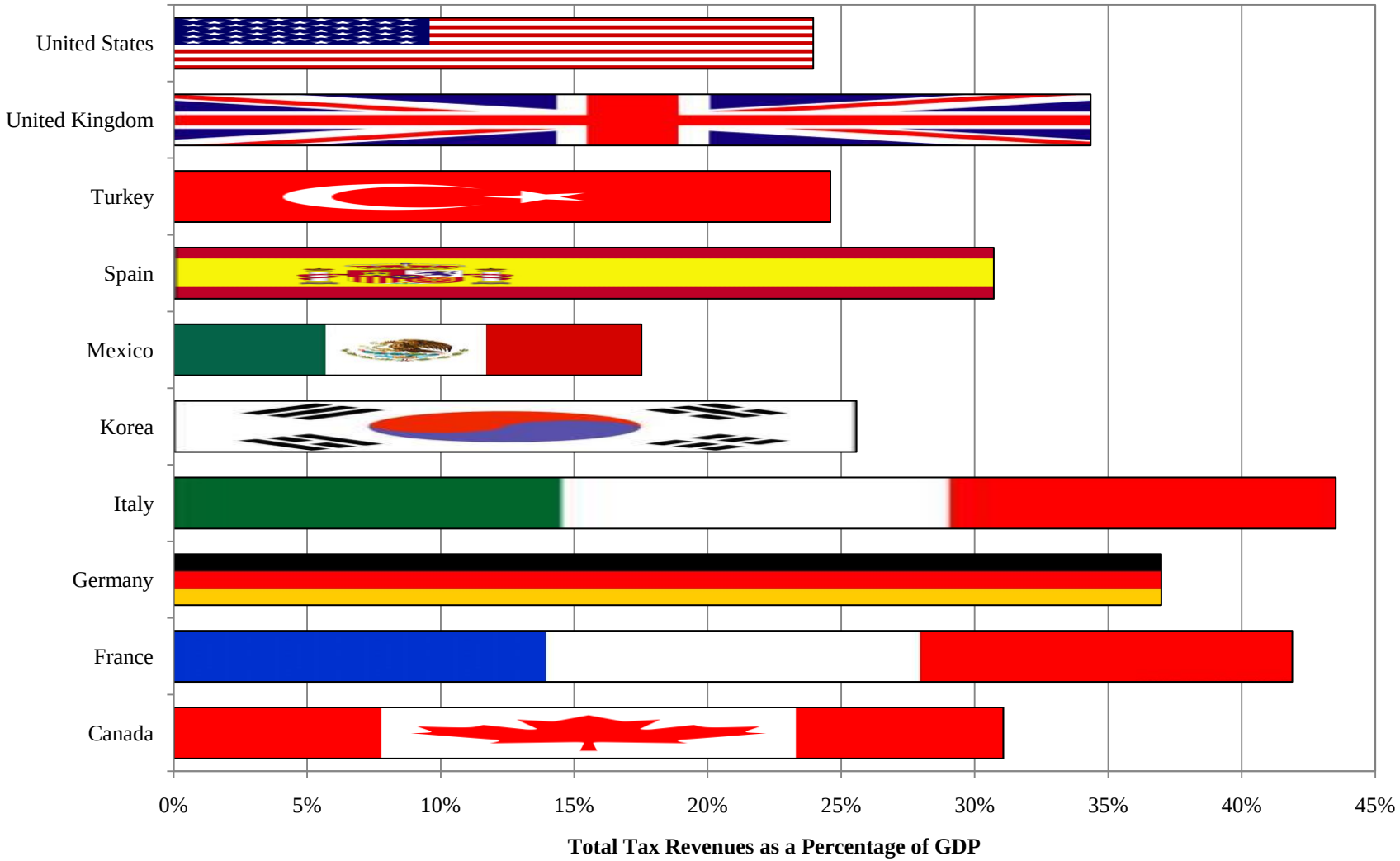
Historical Defense Spending



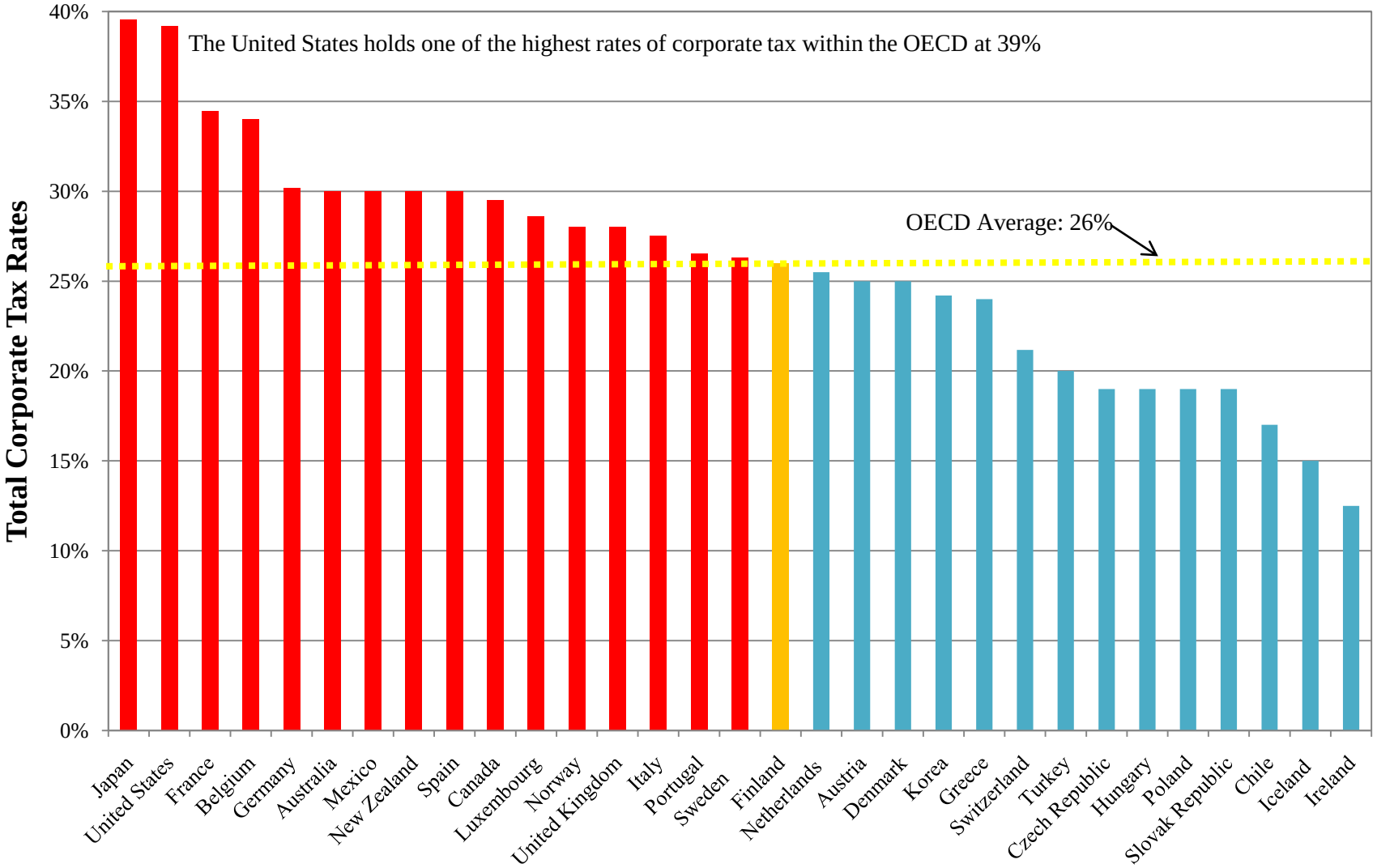
SOURCES: NATO, Financial and Economic Data Relating to NATO Defense, 2009; SIPRI, Military Expenditure Database. Compiled by TCAII.

Tax Burden



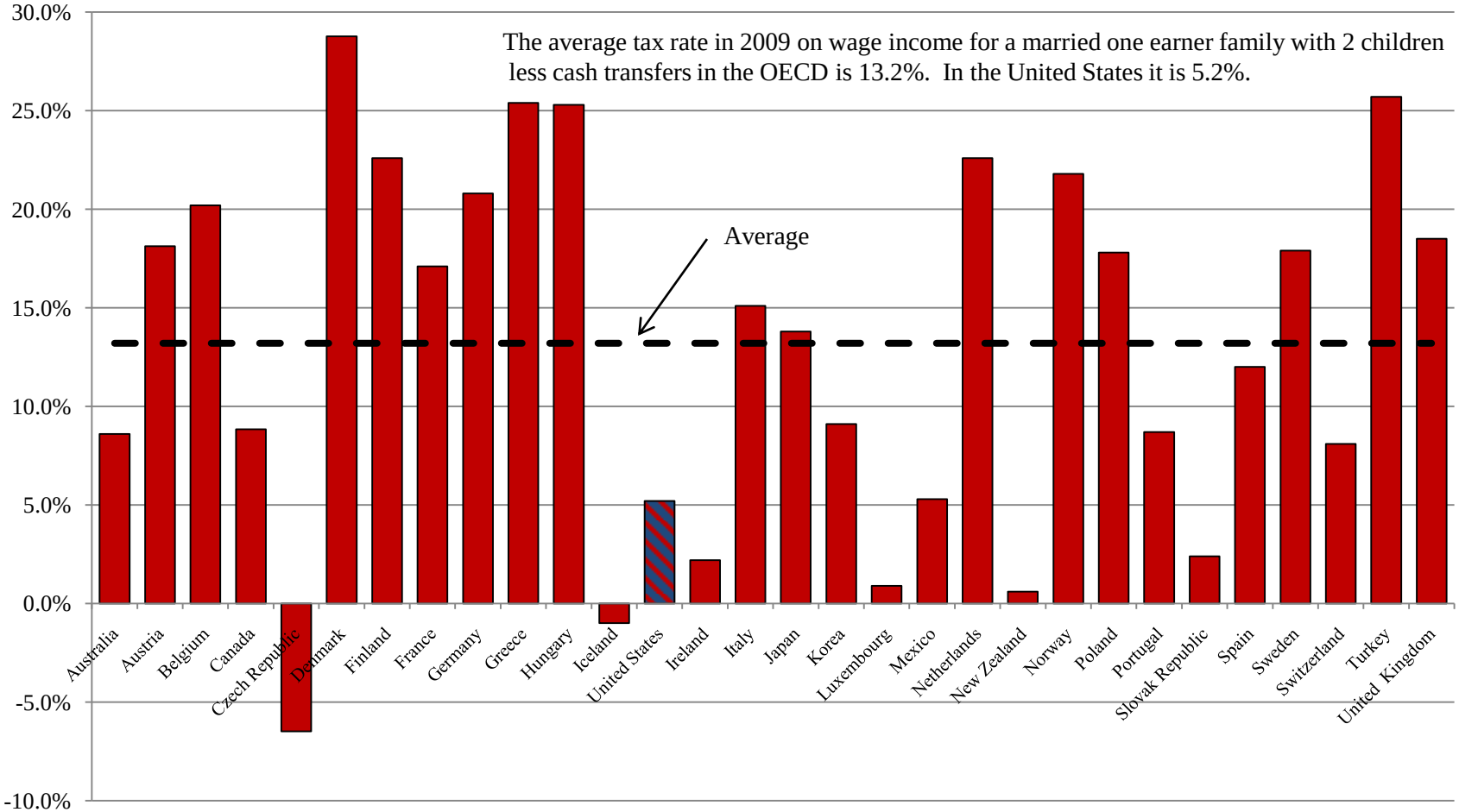
Source: OECD (2010), Revenue Statistics: Comparative Tables, OECD Tax Statistics (Database). Compiled by TCAII.
Note: Total Tax Revenues are net and include sub-national government (State & Local).

Statutory Corporate Tax Rates



SOURCE: OECD Tax Database, Corporate and Capital Income Taxes, 2009. Compiled by TCAII.

Average Income Tax Rate Comparison



Source: OECD, Taxation of Wage Income 2009, Table 1.6. Compiled by TCAII.

Note: This table reports average personal income tax rates (inclusive of universal family cash transfers) for one-earner married couples with children, calculated at the average wage (100% AW). The results, derived from the OECD Taxing Wages framework (elaborated in the annual publication Taxing Wages), use tax and benefit rates applicable to the tax year. The results take into account basic/standard income tax allowances and tax credits. The 'All-in less cash transfers' results factor in family cash transfers (made by central or sub-central government) paid normally in respect of dependent children between five and twelve years of age who are attending school. The sub-central personal tax rates used in this table correspond to those used in Taxing Wages. All rates are expressed as a percentage of gross wage earnings. The figures may differ from those published in Taxing Wages where updated information is available, such as revised AW data.

Comparative Debt Burdens

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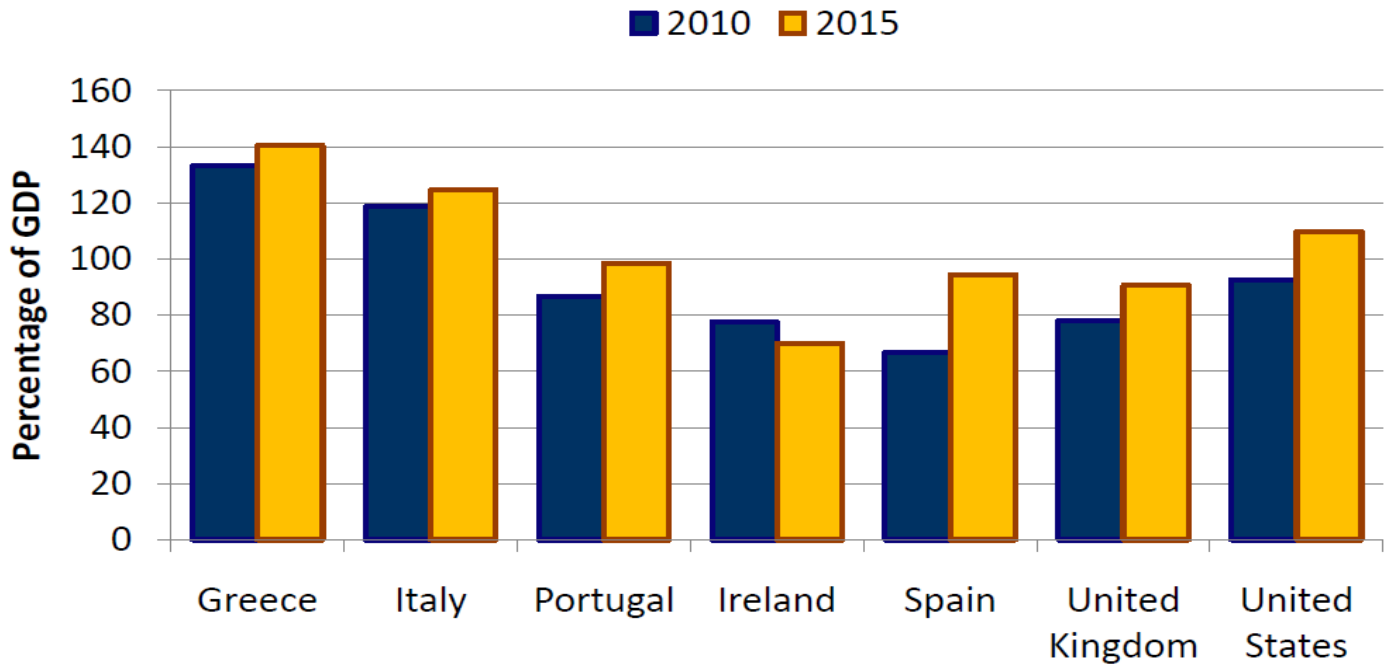
Total government debt in the U.S is higher than some of the most financially troubled countries in Europe



SOURCE: Data from the International Monetary Fund, *IMF Fiscal Monitor Series: Navigating the Fiscal Challenges Ahead,* May 14, 2010. Compiled by PGPF.

NOTE: Both 2010 and 2015 figures are estimates. Total Government debt (also referred to as general government gross debt) measures all liabilities that require payment or payments of interest and/or principal by the debtor to the creditor at a date in the future. This includes central, state and local government debt.

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A Three Pronged Test for Policy Creation

- The policy should make economic sense and be socially equitable
- The math behind the policy must work
- The policy must be politically feasible