

March 6, 2015

The Honorable Mike Enzi
Chairman
US Senate Committee on the Budget
624 Dirksen Senate Office Building
Washington, DC 20510

Dear Chairman Enzi;

Thank you for the opportunity to submit testimony to the Senate Budget Committee as part of the upcoming hearing, “The Better Way: Benefits of a Balanced Budget.” I applaud your leadership and sincerely hope you will address the most pressing domestic problem – the historic debt we will leave behind to the next generation, including the more than 40,000 students here at Purdue University.

Over a year ago, I delivered a speech to the National Academy of Engineers that still represents my strongly held viewpoint. For the record, I share with you an excerpt:

... In my view, the nation’s transcendent problem, the one that endangers our entire position as the leading country of the world, is also the single biggest danger to the future of our historically dominant scientific research enterprise. I refer to our national debt, which I have elsewhere labeled the “new Red Menace”, this time consisting not of a militarily aggressive Soviet imperialism, but in the perhaps more dangerous red ink in which our national finances are drowning.

The terrible inequity, through which massive national borrowing will penalize future economic growth and plunder the same young people we are now striving to educate at Purdue and your universities, is a sermon for another Sunday. For today, allow me to focus on the direct hit our federal deficit and so-called entitlement spending in specific increasingly impose on the NSF, the NIH, and other federal departments like Defense, Homeland Security, Agriculture, and others. These vital research budgets are being brutally squeezed by the way in which Social Security, Medicare, Medicaid, food stamp, and other automatic spending programs are devouring all the dollars American taxpayers can produce. Within a decade or so, autopilot spending and debt service will consume every dollar Americans pay in taxes, meaning that every dollar for the discretionary core of government would have to be borrowed money.

Much of the research community's advocacy in recent days has concentrated on making the case for the value of scientific inquiry, and its huge and often unforeseen contributions to national wealth and wellbeing. We can never make this point too frequently.

But in large measure, this is pushing on an open door. Ironically, the importance of basic research and public support of it is one of the few things on which I find that decision makers who differ on other questions generally agree. The real problem is that there isn't any money; more each year, it flows out the Treasury door in the form of checks and payments for medical bills. And, unjustifiably, it flows not just to poor or middle-income people, but also to the wealthiest among us, in systems fifty to eighty years old, designed for bygone eras.

...Friends of the research enterprise should be out front in demanding bold action to reform entitlement spending and again liberate resources for the investments in new knowledge that, without public dollars, are unlikely to come any other way.

Sincerely,

A handwritten signature in cursive script that reads "Mitchell E. Daniels, Jr." The signature is fluid and elegant, with a prominent initial "M" and a long, sweeping underline.

Mitchell E. Daniels, Jr.
President