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JOINT ECONOMIC COMMITTEE

VICE CHAIRMAN JIM SAXTON

PRESS RELEASE

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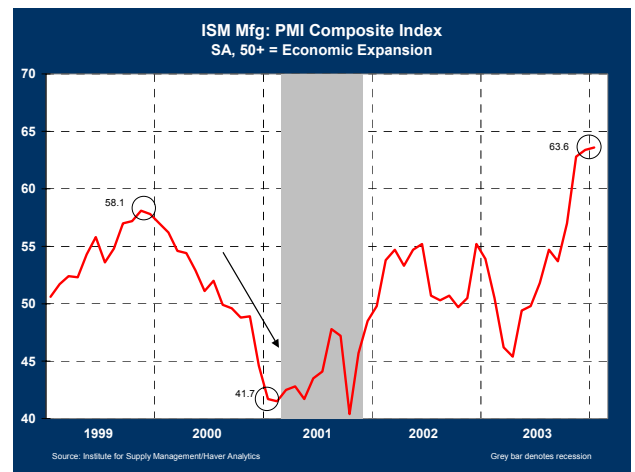
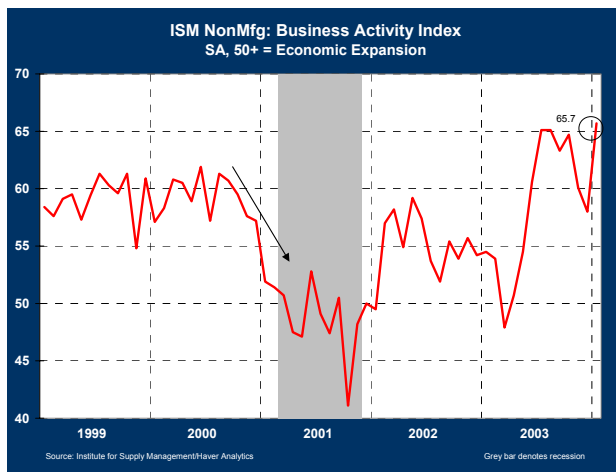
NEW FIGURES REFLECT HEALTHY PACE OF ECONOMIC GROWTH

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WASHINGTON, D.C. – New data from the respected Institute for Supply Management (ISM) show the economic expansion continues to accelerate into 2004, Vice Chairman Jim Saxton said today. Saxton referred to both the ISM index of manufacturing as well as the ISM index of non-manufacturing activity. Both indexes have recently reached levels in excess of the boom years of the late 1990s.

“The January ISM business survey index released today shows an increase to a level of 65.7 percent, the highest since this index was created in 1997,” Saxton said. “The ISM manufacturing index released a few days ago also reached its highest level since the height of the boom in the late 1990s.

“After the bursting of the stock market bubble in the first quarter of 2000, both of these indexes plunged sharply. New investment dried up, and the manufacturing sector, much of which produces capital goods, suffered declining output and employment. Fortunately, recent economic figures show that the economy has bounced back strongly, and is growing at a healthy rate. It is widely acknowledged that policies of tax relief for investment, and low inflation and interest rates, have made important contributions to the economic expansion,” Saxton concluded.



For more information on current economic conditions, please visit our website at www.house.gov/jec.

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