

Opening Statement
Ranking Member Paul Ryan (WI-01)
House Budget Committee hearing on the economy
July 1, 2010

Thank you Mr. Chairman – and thank you to our three distinguished witnesses for being with us today.

We convene this hearing under renewed concern about the health of our economy. Experts tell us that we are technically in the process of an economic recovery, but for too many Americans it feels more like an economic *malaise*. Private-sector job growth has been lackluster, the unemployment rate is hovering at a 25-year high, and fear and anxiety are once again gripping financial markets.

Most policymakers here in Congress are asking the right questions: namely, how do we spark sustained growth and job creation? But too many are searching for answers in the discredited economic playbook of borrow-and-spend Keynesian policies.

We've seen this movie before and we know how it ends. You can't take money from the productive sector of our economy, funnel it through Washington, and expect to create wealth and sustained economic growth.

Centralizing power in Washington – expanding government's reach into all sectors of our economy and more and more aspects of our lives – does not create jobs.

Unfortunately, I believe our policy differences center more on ideology, not economics. If the debate were purely about economics, the Administration wouldn't be doubling down on a renewed debt-financed, government spending spree.

If it was about economics, or even pragmatism, we wouldn't be planning to hit an economy struggling to recover from a deep recession with a slew of new tax hikes. We wouldn't be shackling our job-producing businesses with more regulations. But that is exactly what the Administration and the Majority in Congress are doing.

Americans want their representatives to do what works. They want common-sense pragmatism, not blind progressivism.

I reject the false premise that only forceful and sustained government intervention in the economy can secure this country's renewed prosperity. Adherence to this premise has given us a damaging policy mixture:

- It has sparked a government spending spree and borrowing binge with no end in sight;
- It has led to a centralization of power in health care, energy, financial services, the auto industry and more – tightening Washington's grip on key sectors of our economy;

- It has fostered continued policy uncertainty about *tomorrow* – stifling investment *today*;
- It has caused new barriers to growth and has rationalized the need for more tax hikes in the future;
- This Congress has failed to even produce a budget and it has refused to consider the tough choices to deal with our massive debt burden – a debt burden growing exponentially larger with each kick of the can further down the road.

Workers, taxpayers, and families across this country have been guinea pigs in this Neo-Keynesian experiment long enough. The results are in. Washington's economic experiment has failed.

Let's try something different. Let's try what works.

Instead of erecting new hurdles for entrepreneurs, let's reduce the government-imposed barriers to grow, produce, create and innovate. Let's instill a sense of certainty and confidence for investment and job creation. Let's reform our anti-competitive tax code, restore the promise of our bankrupt entitlement programs, and work to lift our crippling debt burden.

We need to chart a new fiscal and economic course, reforming government and putting in place a plan for growth - and a plan for prosperity.

I hope today's hearing can help inform policymakers as to why the economy remains sluggish, jobs remain elusive, and the forecast remains bleak. I believe we can - and we must - do better.

I appreciate your participation in today's hearing, and I look forward to your testimony.