

Today the House Ways and Means Committee, on which I serve, held a hearing on the impact our nation's debt crisis has on job creation. In response to questions I asked, a leading Stanford economist characterized our skyrocketing debt as "frightening," arguing that it will inevitably deteriorate confidence in our economy, drive up interest rates—making it more costly to do business—and undermine economic growth. Another independent economist cautioned that our nation's debt crisis is approaching the point where we could face economic ruin similar to what has already occurred in Greece and Ireland. Further, these experts argued that higher spending, similar to President Obama's failed "stimulus" passed in 2009, and higher taxes would only further impede job creation. In sharp contrast, they pointed to extensive research showing that substantial spending cuts during a debt crisis can spur economic growth and job creation in the future.

I strongly agree that our nation's debt crisis impedes job creation and threatens our prosperity. The federal government borrows 40 cents out of every dollar spent. This is simply indefensible and dangerous. Families across Northern California and our nation have made tough choices to get their budgets into balance, and I believe Washington should do no less. House Republicans have passed legislation to cut \$61 billion over the next 7 months (\$10 billion of those cuts have already taken effect), and I urge Senate Democrats and President Obama to support these meaningful reductions. To be sure, however, this legislation is just the beginning. To get our nation back on the glide path toward a balanced budget, we will need to address the core culprit of the debt crisis—the unsustainable growth in entitlement spending that is intensifying rapidly as Baby Boomers retire. The good news is the President has acknowledged this challenge. The disappointing news is that he has failed to lead on it thus far. I hope that he will reverse course and work with Republicans to address this challenge in an honest and commonsense way.