

Create new jobs....

GETTING OUR ECONOMY MOVING AGAIN

We can create new jobs in one of two ways: incent the private sector to do it, or have government hire people in public sector jobs. The current federal administration advocates the latter approach. I believe this is the wrong track to take and that it will lead us to a stagnant economy with no real growth in private sector job creation and economic activity for years to come. We must change course and direction now.

According to respected *New York Times* columnist David Brooks, the \$870 billion economic stimulus program passed in 2009 will end up costing each and every taxpayer \$7,798.¹ But what are we getting for this? We were told that the stimulus program would keep unemployment from exceeding eight percent. It is over nine percent—which means 15 million of our fellow citizens are out of work. This is “crimping” our nation’s economy by \$1 trillion a year.² The quickest way to get our economy going again is to reduce unemployment. The best way to do this is incent private sector businesses to create new jobs and expand into new markets. I have a plan to do this.

- **Prevent scheduled tax increases from taking effect.** It may surprise many people, but hidden tax increases are slated to take effect in 2013 unless the current tax cuts passed in 2001 and 2003 are extended. These tax cuts played a major role in getting us out of the 2001 recession quicker than what would have otherwise happened. The heart of the approach has been to reduce and lower income tax rates for everyone who pays taxes. The package also encourages saving and investment by taxing capital gains and dividends at a lower rate. This creates pools of capital which, in turn, are invested in the private sector economy to increase efficiency, investment and growth. I continue to believe that this is precisely the wrong time to increase taxes. As an alternative, I believe we should look to keep in place the 2001 and 2003 tax cuts that I was proud to support when they were enacted into law.
- **Reduce government spending and the national debt.** More and more economists believe our nation’s economic trajectory is not sustainable. I agree with this. I believe we can take immediate steps to cut spending, such as not funding the \$10 billion in new money the Internal Revenue Service seeks for tens of thousands of new employees to process paperwork and fines under the federal healthcare reform law. I also believe Congress must stop passing legislation that creates new programs without paying for them. The bottom-line is the nation’s debt is over \$14 trillion—it must be reduced or our country’s economic future is jeopardized.

¹ “Prune and Grow,” editorial column, *The New York Times*, June 11, 2010, David Brooks.

² “White House Knot: Add Jobs but Don’t Add to Deficit,” news article, *The Wall Street Journal*, Deborah Soloman, June 11, 2010.

- **Delay new programs and regulations that harm our economy and stall economic growth.** In 2010, the federal government proposed and promulgated new regulations on businesses that cost \$14 billion.³ That’s \$14 billion not available for retooling, investment in new technologies, business expansions and new hiring. Meanwhile, the administration succeeded in ramming their healthcare proposal through Congress on a party-line vote—an initiative that will cost a net \$1.2 trillion over the coming decade. At the same time, they continue to advocate new laws that will hinder our economic recovery: “Cap and Trade” is an example of this. Under Cap & Trade (C&T), businesses, manufacturers and every family that pays a monthly utility bill will see steep increases in costs. C&T will increase the cost of products and services across the economy—something that could not come at a worse time for struggling businesses and consumers. These huge new government programs and mandates will cost jobs—they should be repealed or abandoned altogether.

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Lee Terry believes the federal government spends too much, taxes too much and is carrying too much debt. His record is one of consistently voting to reduce government expenditures so that capital stays available for savings and investment by the private sector.

³ <http://blog.heritage.org/2010/04/02/red-tape-rising-regulation-in-the-obama-era/>