



FOR IMMEDIATE RELEASE
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Opening Statement of Senator Max Baucus (D-Mont.)
At the Joint Select Committee on Deficit Reduction
Regarding the History and Drivers of our National Debt
As Prepared for Delivery

Founding Father Patrick Henry once said, "I know no way of judging the future but by the past."

Today, we examine the past for lessons to improve our economic future to reduce the deficit, to create jobs that put Americans back to work and to regain the certainty our country needs to thrive in the global economy.

The world is closely watching what we do here and the next steps we take as a country to confront our deficits. We can do this. We've already begun the process by cutting \$900 billion. We've already taken the first step.

And while the road ahead will not be easy, we have a duty to think even bigger and aim even higher to ensure our country is on sound fiscal footing for the long term. We have a duty to ensure that we approach these cuts in a balanced manner that creates jobs here at home.

I was back home in Montana again this weekend, and folks kept repeating the same thing: "Let's get it done." They want to see results. They want us to work together and find a balanced approach to cut our debt and create jobs, and I bet my colleagues hear the same thing when they go home as well. It's time to listen to these folks and work together to get our economy moving again.

Today we review the sources of the problem. A number of factors created our current deficit: the cost of two wars; long-term health care costs, which we began to tackle in health reform; a stagnant economy which increased spending; and reduced federal revenues, which are at historic lows.

Today, federal revenues make up only 15 percent of GDP, compared, for example, to 17 to 19 percent during the Reagan Administration. A combination of factors created the deficit, and it will take balance to solve it. There is no silver bullet to fix this problem.

So let us listen to the wisdom of the folks back home who want us to work together to craft a balanced solution, let us look to the past for lessons -- not blame -- and let us focus on creating jobs and improving our economy for the future.

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