



Joint Economic Committee

Republicans

Representative Kevin Brady
Vice Chairman Designate

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NEWS RELEASE

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New Joint Economic Study: SPEND LESS, OWE LESS, GROW THE U.S. ECONOMY

Tackling deficits and debt in America now can boost the economy and create jobs

Washington, DC - Today, House Majority Leader Eric Cantor, Majority Whip Kevin McCarthy and Chief Deputy Whip Peter Roskam joined Kevin Brady, the top Republican on the Joint Economic Committee for the release of new economic data that proves government spending cuts help grow economies.

The new report, "*Spend Less, Owe Less, Grow the Economy*," details how many of the U.S.'s top competitors in the global marketplace reduced their debt ratios and grew their economies both in the short and long terms.

"In this analysis of mainstream economic studies, America's competitors prove that nations can boost their economies in the short term by spending less and reducing their debt", said Brady. "We know that is true in America as well. For most of the last 40 years when federal spending rose, jobs along Main Street shrank."

"Private business investment creates private sector jobs. Republicans in Congress are determined to remove barriers to new jobs by tackling America's dangerous budget deficits and removing the uncertainty that deters businesses from making those new investments."

Brady noted the White House has fallen 7.2 million jobs short of their jobs promises, which included a 6.9% unemployment rate by now.

Leader Eric Cantor stated, "Since the start of this Congress, House Republicans have been committed to a two-track agenda of cutting spending so that we can grow the economy and get people back to work. The report released today by the House Joint Economic Committee Republicans details that addressing our fiscal situation and cutting spending will lead to long-term economic growth and job creation. To put it simply: less government spending means more private sector jobs. I thank Vice Chairman Kevin Brady and his Committee members for their hard work on this important effort. I hope that Democrats will join us in efforts to cut spending and realize that we must get our fiscal house in order so that the economy can grow."

Majority Whip Kevin McCarthy noted, "Today's report is a clear indication we must take the bold steps and act now to reduce spending levels and avoid further destabilizing our economy. Democrats must step up and join us as we work to protect the American Dream for our future generations and get people back to work."

"When you cut spending growth follows for two reasons," added Brady. "Businesses who no longer expect the government to levy large tax increases in the future to pay for excessive spending step up their investment the unemployment rate goes down. And secondly, families who have higher income expectations gain confidence to make major purchases for homes and autos."

President Obama and congressional Democrats have emphasized the risk of reducing now America's deficits and debt. But they ignore the risk of delay. As this study shows, ample real-life data prove there are significant economic growth and job creation benefits that accrue from reducing spending and reforming entitlement programs to restore their sustainability for future generations. For America's economic future it's time for a new path forward. To grow our economy it's time for Washington to spend less and owe less as a nation.