

## **Chairman Don Beyer – Prepared Remarks**

### **“Building on a Strong Foundation: Investments Today for a More Competitive Tomorrow” April 27, 2022**

#### *Recognitions*

This hearing will come to order. I would like to welcome everyone to the Joint Economic Committee’s hearing, “Building on a Strong Foundation: Investments Today for a More Competitive Tomorrow.”

I want to thank each of our distinguished witnesses for sharing their expertise today. We have an exceptional panel of experts, and I’m looking forward to hearing from them.

#### *Opening Statement*

Just over two years ago, the United States confirmed its first case of COVID.

Since then, hundreds of thousands of lives have been lost, and our nation has experienced the worst recession since the Great Depression. Virtually overnight, nearly 22 million jobs disappeared and GDP cratered.

The loss of life is a national tragedy, and we mourn those lives that were taken too soon.

Today’s hearing will focus on how our country is overcoming the economic effects of the global pandemic and what steps we can take now to ensure our economic health for the long term.

As we convene for this discussion, our nation's economic rebound has exceeded all expectations. The American Rescue Plan and other pandemic relief, including the successful dissemination of vaccines, have created a remarkably different economic reality than the one we were facing at the start of 2021.

To date, nearly 93% of the jobs lost during the pandemic have been regained. The unemployment rate has fallen to just 0.1 percentage points above its pre-pandemic rate. And GDP has reached the fastest pace of growth in nearly 40 years. President Biden has overseen the creation of 7.9 million jobs, and 2021 set a record for the most new businesses started.

Far from guaranteed, the speed and strength of our economic recovery is a direct result of increased public investment. Thanks to the efforts of this Congress and the Biden administration, the United States has experienced the fastest recovery among G7 countries. It remains the *only* major economy that has recovered to its pre-pandemic trend of economic growth, or what it would have been absent the coronavirus recession.

But the United States has not escaped the global spike in inflation that is denying workers and families the full benefits of the recovery. Global supply-chain disruptions have pushed up prices worldwide, and Putin's invasion of Ukraine is exacerbating the effects on energy and food prices.

We, in Congress, have an opportunity to lower costs for workers and families, spur job creation and promote U.S. competitiveness now and for generations to come.

Evidence shows that public investment in research and technology drives innovation and boosts productivity, which is the bedrock of long-term economic growth. Historically, U.S. economic booms have been

fueled by investments in science and technology that were initiated and sustained by public funding.

For example, public investments in the Defense Advanced Research Projects Agency helped support the development of the personal computer and the internet. Together, these drove a technological revolution that turbocharged U.S. productivity and radically changed the ways people conduct their lives—not to mention the creation of hundreds of thousands of new jobs.

If a goal of our government is to drive broadly shared economic growth and ensure that the United States remains internationally competitive, public investment is essential to success.

The recently passed bipartisan Infrastructure Investment and Jobs Act is a down payment. It will address years of inadequate federal investment in critical infrastructure—such as roads, bridges and broadband—to create jobs, enhance productivity and improve supply-chain resilience. The economy-wide benefits will reduce long-term inflationary pressures.

Congress should build on this foundation and pass the bipartisan competition bills to drive economic growth and shared prosperity. The investments in innovation, research and manufacturing will boost our economic capacity, create high-quality jobs in communities across the country and raise worker wages. And by promoting increased efficiency among workers and businesses, these investments will also lower costs for everyone.

The bills' focus on racial, gender and geographic diversity in training and education will help ensure communities that have historically been excluded are able to share in the benefits.

We've all experienced the many ways disinvestment in American-made products has contributed to recent supply chain disruptions, and the

investments in this legislation will help shore up American supply chains and domestic manufacturing.

*Turn it over to Senator Lee*

The pandemic shined a new light on inequality in this country and exposed underlying vulnerabilities in our economy that are constricting our collective potential.

We have an opportunity now to lower out-of-pocket costs for families on their biggest household expenses while also paving the way for economic growth in the long term that is stronger, stable and more broadly shared.

As we dive deeper into these issues, I look forward to the testimonies of our expert witnesses. Now I would like to turn it over to Senator Lee for his opening statement.