

Joint Economic Committee
**Opening Remarks for Hearing, “Counting the Costs: How a U.S. Default
Crisis Harms American Families and Businesses”**
May 17, 2023

This hearing will come to order.

I would like to welcome everyone to the Joint Economic Committee’s first hearing this Congress.

It’s an honor to lead this Committee, and I’m excited to build on the success of former-Chairman Beyer’s leadership last Congress.

I’m also looking forward to working with my fellow Committee members, including our new Vice Chairman, Congressman Schweikert.

I want to welcome the new Members of the Joint Economic Committee: Senators Welch, Fetterman, Schmitt, and Vance, and Representatives Ferguson, Smucker, Malliotakis, Moore, and Porter.

Today’s hearing will begin with five-minute opening statements from myself, Vice Chairman Schweikert, and each of our three witnesses.

We will then proceed with questions, alternating between parties and in order of Member arrival.

Members are reminded to keep their questions to no more than five minutes.

Now, for opening statements.

By most estimates, we are now less than one month from a default on our obligations as a nation.

This is unacceptable. It's unprecedented. And it's caused by too many Members putting politics ahead of people.

The United States doesn't skip out on its bill.

The United States pays its bills.

WeAnd when we do—like we have voted to do 78 times since 1960, including 3 times under President Trump—we don't just signal to the world that we are a responsible nation.

We also avoid economic catastrophe for the people who sent us to Congress in the first place.

Let's be clear: A default will drive up costs for working families—from mortgages, car loans, student loans, and small business loans to the costs of consumer goods.

It will also cost jobs—millions of them.

Nationwide, Moody's Analytics predicts a drawn-out default would cost us between 7 and 8 million jobs.

That includes as many as 38,000 jobs lost in my home state of New Mexico.

For two years now, Republicans have been predicting a recession. Now, they have manufactured a default crisis that could cause that recession.

Using the economic wellbeing of the entire nation as a bargaining chip is wrong and should not be condoned.

Democrats, Republicans, and Independents should all absolutely negotiate on our annual appropriations bills.

As a member of the Senate Appropriations Committee, I've been a part of these negotiations. I know how opinionated we can all be and how hard we fight for our constituents and the issues we believe in.

And that's exactly what we should do—in our appropriations process.

But holding the economic wellbeing of our country hostage over appropriations and legislation we have already negotiated and passed is wrong.

For one thing, I would welcome revisiting the Bush and Trump administration's tax cuts for the wealthiest of the wealthy—which contributed \$10 trillion to our debt.

But that is not the question at hand. The question now is will Congress avoid default and, with it, save the American economy.

The answer must be, yes.

We must pass a clean debt limit increase and continue our economic recovery.

The danger we are putting our constituents in if we fail to deliver on this fundamental responsibility is what we will explore in this hearing.

I will now turn to Vice Chairman Schweikert for his opening statement.

[End]