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More government spending won't work

By Rep. Charlie Bass, printed in the Concord Monitor

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Earlier this month, President Obama presented his jobs plan to Congress and the American people. While I appreciate his determination and share his goal of seeking solutions that will get our economy moving again, his speech left me wondering, "What's new?"

Instead of presenting new ideas to revitalize our economy, the president demanded that Congress pass a recycled, smaller version of his 2009 stimulus plan that, nearly three years later, left our nation with a huge tab and did nothing to bring our unemployment rate down to 6.7 percent as the administration promised. If spending \$800 billion didn't work then, why would spending another \$400 billion work now?

While some of the president's ideas merit consideration, such as his proposal to extend 100 percent expensing for businesses investing in new plants and equipment, the bulk of his American Jobs Act is merely an expensive band-aid that will do little to get people back to work.

Instead of an additional \$447 billion in spending that our nation simply can't afford, there are a number of steps on which I believe Congress can find common ground to spur economic growth in the private sector.

First, Congress should enact a temporary or permanent amnesty on the U.S. taxes a U.S. company is forced to pay on foreign-sourced income. For example, a company based in Concord that also does business overseas is taxed on both its U.S.- and foreign-earned income. This amounts to double taxation and explains why some U.S. companies are choosing to relocate their operations - and jobs - overseas. It is estimated that over \$1 trillion in assets held by U.S. companies offshore would be returned if we enacted a law that suspended, at least temporarily, the tax on foreign earnings, giving our economy a much-needed boost.

While I was traveling throughout the 2nd District last month, I visited more than 20 Granite State businesses to hear firsthand the issues that are impeding their growth and expansion. One high-technology company owner in Swanzey told me he pays more than 40 percent of his net income in taxes. Think of the jobs he could create in New Hampshire if his tax burden was reduced.

That's why I also believe that Congress must examine our nation's corporate tax structure. We should fix the corporate tax rate - which, at 35 percent, is the second highest in the world - while also reforming the deductions businesses are able to make. With these two actions, we can lower companies' overall tax rate while ensuring that more companies are paying taxes, creating a fairer and more competitive environment for economic growth.

Next, we must work on reducing or repealing unnecessary government regulations that increase the cost of doing business and create a lot of uncertainty in the economy. The health care law

that was enacted in 2010 is a prime example of a law that is causing worry, confusion, and uncertainty among business owners about the unexpected costs, taxes, and regulations with which they will have to comply.

Finally, we must pass the pending free trade agreements with Panama, Colombia and South Korea. This is a popular and bipartisan idea, one that President Obama strongly supports and even mentioned in his speech to Congress. But the President has yet to send the completed trade agreements to Congress, which is delaying a vote on these measures and putting American businesses at a competitive disadvantage.

For example, the average South Korean tariff for U.S. exporters is more than four times the average tariff that South Korean products face in the U.S. market. Passage of the free trade agreement will level the playing field for American businesses exporting goods to the country. With one out of every four jobs in New Hampshire directly benefiting from trade and an economy that is reliant on a global market, we cannot afford to allow critical job-creating measures like the pending free trade agreements to be stalled any longer.

New Hampshire is already a leader in innovation, job creation and economic growth. Our statewide unemployment rate is much lower than the national average of 9.1 percent. But families across our state are still struggling, and businesses are finding it harder and harder to expand and even stay afloat in a sea of burdensome federal regulations, taxes, and uncertainty. The thousands of Granite Staters I've heard from at town hall meetings, events, and telephone town hall meetings have told me that Congress needs to do something now to cut spending and grow the economy, and do it without raising taxes.

Job creation cannot solely be a Republican or Democratic solution; it must be done in the spirit of bipartisanship and compromise. I'm willing to take a careful look at the president's ideas and hope he's willing to work with Republicans on ours. We can find solutions that will put more people to work in the private sector creating goods and services and thus increasing revenue.

But we cannot create jobs and help our economy recover from a recession if the federal government is continuously taking our hard-earned tax dollars and using it to pay for more failed "stimulus" programs.

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