



# Committee On Finance

Max Baucus, Ranking Member

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For Immediate Release  
Wednesday, March 15, 2006

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**Testimony of U.S. Senator Max Baucus (D-Mont.)  
Innovation and Competitiveness Legislation  
Hearing Before the Senate Committee on Commerce**

Thank you, Chairman Stevens and Ranking Member Inouye, for allowing me to speak with you today. By addressing American competitiveness now, the Commerce Committee is providing vital leadership. I'm pleased to join you.

Many are using the word "competitiveness" these days. But here's the real question: what action will we take to make competitiveness more than a word? What actions can make competitiveness a way of thinking for this nation's leaders, a way of life for this nation?

The need to strengthen America's "global competitiveness" is a new idea for many. Americans are used to global dominance.

But take a look at the next five-year-old you see. Our attention to competitiveness now will determine the kind of job that child can have in 20 years. Our attention to competitiveness now will determine whether she can afford health care or pay her energy bills, and what standard of living her child will have even farther down the road.

India, China, and other nations are on the rise. These countries have committed to educating their children in math, science, and engineering. They're preparing new generations to win high-skill, high-wage jobs. And it's working.

America's economic clock isn't being cleaned – just yet. Our infrastructure remains the strongest. Our workers remain the most productive. This committee, with its jurisdiction over science and technology, knows that our thinkers remain the most innovative.

But to keep that the case, we need long-range leadership. We must make policy changes now to multiply America's strengths and reduce our liabilities in decades to come.

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Education is the place to start. I am introducing a comprehensive legislative package this year to improve American competitiveness.

Education is not just one of the pillars of that agenda. It is the foundation. My bill will improve the system from pre-kindergarten all the way through college and worker retraining.

But we cannot stop at education. We must take a comprehensive view of what competitiveness means for our country.

America needs a strong hand in the world marketplace. I have introduced legislation with Senator Hatch to improve trade enforcement.

America needs energy independence. As long as we are beholden to politically unstable nations for our energy, we are less able to determine our own economic destiny.

My new energy legislation promotes radical research and alternative energy strategies.

America needs to save more. Tomorrow I will introduce legislation to help increase Americans' individual savings, and to restore fiscal responsibility for our government.

Americans who save are Americans who can invest. A government out of debt is a government with resources to build a strong economic future.

Other elements demand attention. High health care costs are shackles on the feet of this country, dragging down our ability to compete. And American thinkers need funding and encouragement to continue the innovation that first brought us to world leadership.

Even America's international tax structure must bolster every company's ability to run with the world's big dogs.

These are tall orders. But ensuring American competitiveness is not a one-session or one-Congress accomplishment. It will take a long, slow, permanent shift of the rudder on our ship of state.

I firmly believe that we are called, in this Congress, to begin to turn the wheel. And we must act not only this year. We must lay the groundwork for ever-bolder action in the years to come.

I'll make a confession. The bills I'm introducing this year won't finish the job. But nothing proposed in this Congress, nothing we've heard from the President, will finish the job.

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Ensuring American competitiveness will take far-reaching energy and health care transformations. It will take fundamental fiscal changes. Those discussions have yet to commence. But we must make a start today.

I am encouraged by this hearing. I know I am surrounded by partners in the quest for American competitiveness.

One of the best things we can do for the people who elected us is to ensure the prosperity of their children and grandchildren. That's what the quest for competitiveness is really about. I will be proud to work with you to achieve this important goal.

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