

Statement by Commerce Secretary Don Evans on Today's Release of the Revised 2nd Quarter GDP Estimate

Washington, DC - In criticizing the President on Monday, Congressman Dick Gephardt said, "The numbers don't lie." Mr. Gephardt, you are exactly right.

This morning's numbers paint a picture that continues to be troubling. They confirm the importance of the leadership President Bush has been providing since he first took office. They confirm the need for President Bush's economic recovery plan.

The Bush plan has three parts: tax cuts, free trade and fiscal responsibility.

It starts with tax relief. The President and Congress passed a bipartisan tax cut to provide short-term stimulus and long-term structural reform. The rebate checks will bolster consumer spending and the marginal rate cuts establish the right framework for future growth.

Free trade is the second pillar of the Bush economic recovery plan, and Trade Promotion Authority is a critical first step. Open markets mean more, better-paying jobs for American workers and new opportunities for businesses to grow -- especially small and medium businesses, the heart of our economy, which make up 97% of all exporters.

The benefits of free trade are undeniable. In 1970, total international trade comprised just over 10 percent of the United States GDP. By 2000, that number had jumped to more than 25 percent.

Trade Promotion Authority sends a signal to investors and businesses that America will lead in creating the environment for global economic growth.

It's time to stop trading insults and start pushing free trade.

In truth, the current slowdown started last year -- about seven months before President Bush took office. But the President didn't blame Congress. He didn't blame President Clinton. He showed leadership -- recognizing the challenge and taking decisive action.

President Bush's budget fully funds America's priorities, reins in runaway spending, and pays down the debt at historic levels. Instead of trying to come up with lines for the evening news, we should hold the line on spending.

The Bush economic recovery plan, with Trade Promotion Authority as an important part, will usher in a new era of robust economic growth. This morning's numbers demand it be fully adopted without further delay.

Note: The Commerce Department today released a revised 2nd Quarter GDP estimate that showed that the economy grew at a rate of 0.2 percent. The figure is a revision to the Commerce Department's earlier estimate of 0.7 percent, which was released in July.