

U.S. DEPARTMENT OF THE TREASURY

Press Center



Remarks by Secretary Henry M. Paulson At Roundtable Discussion on State of U.S. Economy Department of the Treasury

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Let me thank you all for coming to Treasury. One of the very pleasant surprises I had coming to government has been the strong economy we have today. I can't take a lot of credit for it but I'm still very very pleased about it. One of the things that we think is important is that a strong economy is going to make it easier to deal with some of the very major challenges we have. It's much easier to undertake things like entitlement reform, Social Security, and energy security from the position of a very strong economy. Now you heard, I believe, the President talk about it at the State of the Union. He made the major points – over 7 million new jobs since August 2003, inflation appears to be at a very manageable level, which is key to extending an expansion, and unemployment is at very very low levels. What is very important to me, I know it's very important to the President, is we're starting to see this economic growth translating itself into real wage increases for the average worker.

So here we are in January of 2007, and it looks like we've made the transition from an unsustainable rate of growth to something that looks very sustainable, to something like 3% a year. You know as well as anyone there's no such thing as certainty when talking about economic matters. We've got to have some caution...talking about the U.S. economy, I want to see if you see it the same way as we see it, and more importantly what cautions do you see, and what policy measures do you think are going to be important to sustain this growth.

Thank you very much for coming today. I look forward to having a good discussion.