Thank you very much, Chairman Ryan, and welcome, Chairman Bernanke.

We must use all the tools at our disposal to help put people back to work, and I commend you and your colleagues at the Federal Reserve for using various forms of monetary policy to promote higher levels of employment and stable prices. I find it troubling that, at a time when millions of Americans are still out of work, some of our Republican colleagues want to strip the Federal Reserve of that part of its mandate that focuses on full employment and putting people back to work.

Obviously the Federal Reserve must not waver in its commitment to price stability, but to deprive you of the tools necessary to boost employment would be a huge mistake. Indeed, without those tools, the economy today would be in much worse shape.

Chairman Bernanke, as you testified previously before this Committee, the measures taken by the Federal Reserve, the politically unpopular but economically necessary TARP legislation engineered by the Bush Administration, and the Recovery Act by the Obama Administration, averted "an extraordinarily severe downturn, perhaps a great depression."

Indeed, the day that President Bush left office, the day that President Obama was sworn in, the economy was collapsing at an even faster rate than originally thought. The gross domestic product was plummeting at a rate of 8.9 percent, in other words negative 8.9 percent GDP, and we were losing more than 840,000 jobs a month. Three years later, conditions have improved. The economy grew at an annual rate of 2.8 percent in the last quarter, and 3.2 million private sector jobs have been created since March of 2010. Reports and findings by the Congressional Budget Office confirm your earlier assessments – that the passage of the Recovery Act, coupled with actions to save the auto industry and efforts by the Federal Reserve, helped end the free fall and began the climb upward toward economic growth.

Indeed, the Congressional Budget Office has told us that the Recovery Act helped save or create up to 3 million jobs in the year 2010 and lowered unemployment by up to 1.4 percentage points in 2011, compared to what it would have done if the Congress had not taken action. It is clear that we were on a huge downhill cascade and action taken by the Federal Reserve and President Obama helped end the economic freefall and turn the corner.

Still, we know that while the economy has improved, millions of Americans are still out of work, and the unemployment rate remains unacceptably high. Our economy is still vulnerable to outside shocks, from the Japanese Tsunami last year to the brewing European debt crisis, which has been ongoing. That is why our first priority has to be nurturing this fragile economy and making sure we do what we can to help small business and put people back to work.

So I commend you, Chairman Bernanke, for articulating in your prepared testimony that in pursuing medium- and long-run fiscal sustainability, we ought to take care not to do so much budget-cutting in the short-term that we impede the current economic recovery. In fact, you note that the two objectives – long-run fiscal sustainability and short-run stimulus – are mutually reinforcing.

Clearly, some policymakers in Europe are coming to this notion a little late. The British economy, for example, contracted 0.2 percent last quarter due in part to the severity of government spending cuts, according to a January 31 article in the Wall Street Journal. Christine Lagarde, Director of the International Monetary Fund, was quoted by BBC News in Davos, Switzerland as saying “[The IMF is] not suggesting there should be fiscal consolidation across the board.” Ratings agency Standard & Poor, in a note explaining the rationale behind their January 13th downgrade of nine Eurozone nations, noted, “A [budgetary] reform process based on a pillar of fiscal austerity alone risks becoming self-defeating, as domestic demand falls in line with consumers' rising concerns about job security and disposable incomes, eroding national tax revenues.”

These are all reasons why we should take immediate action in this House on the jobs plan the President submitted to the Congress last September, including his significant infrastructure investments to help rebuild our infrastructure around the country.

We should also finish the job with respect to extending the payroll tax cut for 160 million Americans and making sure that unemployment insurance is there for people who have lost work through no fault of their own. And, Mr Chairman, I’m going to apologize to both you and Chairman Bernanke, because after this statement I’m going to have to go to the conference committee on that issue and I hope that conference committee will move forward quickly and without delay to get that job done.

As we nurture the fragile economy, we should also take immediate action to enact a plan to reduce the out-year deficits and debt in a stable, balanced, predictable way. The question is not whether we do that, but how. I support the kind of balanced framework proposed by bipartisan commissions like Simpson-Bowles and Rivlin-Domenici.