

THE BROOKINGS INSTITUTION

RESTORING AMERICA'S PROMISE OF OPPORTUNITY,
PROSPERITY AND GROWTH

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PORTION – PETER ORSZAG

MR. ORSZAG: Thank you very much, Strobe. We are very pleased to be launching The Hamilton Project this morning and particularly pleased to have Senator Obama here with us this morning. He has repeatedly emphasized that our economic policies should promote broad-based opportunity, that economic security and economic growth can be mutually reinforcing, and that effective government can work in conjunction with market forces to improve economic performance, all of which are key themes of our new project.

For example, in a moving commencement address at Knox College in 2005, Senator Obama said, “Once again, there are those who believe that there isn’t much we can do.

“That the best idea is to give everyone one big refund on their government, divvy it up by individual portions in the form of tax breaks, hand it out, and encourage everyone to use their share to go buy their own health care, their own retirement plan, their own child care, their own education, and so on.

“It is a tempting idea because it doesn’t require much thought or ingenuity.

“But there is a problem. It won’t work.

“It ignores the fact that it has been government research and investment that made the railways possible and the internet possible.

“[Our economic development] depended on a belief in the free market; but it has also depended on our sense of mutual regard for each other, the idea that everybody has a stake in the Country, that we are all in it together, and everybody has got a shot at opportunity.”

I am not sure our policy documents will prove to be quite so moving, but the sentiments from The Hamilton Project are quite similar.

Senator Obama has also stressed that public policy should be driven by rigorous evidence about what works and what doesn't. That, too, is a fundamental part of our new project and also a fundamental defining characteristic of Brookings.

Finally, Senator Obama is the son of an economist, and so thus has a longstanding personal connection to economics and economic policy.

We look forward to hearing your thoughts, Senator Obama, and the floor is yours.

(Applause)

[SENATOR OBAMA SPEAKS – [READ REMARKS](#)]

MR. ORSZAG: We are now going to move on to our first panel. We will have two panels this morning. Our first panel is going to provide an overview of the project and discuss the project's overarching economic strategy. The second will then examine some of the specific policy proposals that we are releasing this morning.

The members of the first panel are undoubtedly well known to all of you.

Our first speaker will be Robert E. Rubin, a member of the project's Advisory Council and a co-author of the economic strategy document that we are releasing this morning. As probably everyone in this room knows, Mr. Rubin served in the 1990s in the White House as Assistant to the President for Economic Policy and the first Director of the National Economic Council under the Clinton Administration. He then served as our Nation's 70th Secretary of the Treasury from January, 1995 until July, 1999. He is currently Director and Chairman of the Executive Committee at Citigroup.

Our next speaker will be Jim Wallis. Mr. Wallis was a founder of Sojourners: Christians for Justice and Peace, more than 30 years ago and continues to serve as the Editor of the magazine there.

It is interesting to note that in the days of Adam Smith, economics and moral philosophy were not such distinct subjects as they are in academia today. Indeed, actually, Adam Smith held a Chair of Moral Philosophy and published a book entitled *The Theory of Moral Sentiment*, 16 years before *The Wealth of Nations*. It may well be that the time has come for economics and moral philosophy to move closer together, and we are pleased that Jim will be here with us this morning to speak about how we can do good while also doing well.

Finally, when we turn to questions, we will be joined by Roger Altman, who is also a member of the project's Advisory Council and another co-author of the strategy document we are releasing today. Roger served two tours of duty in the U.S. Treasury Department including as Assistant Secretary for Domestic Finance and later as Deputy Secretary. He is currently the Chairman of Evercore Partners.

Mr. Rubin?

(Applause)