



WASHINGTON, D.C., Feb. 25, 2009

The Franklin Center for Global Policy Exchange hosted Congressman Wally Herger (R-CA) at the second of its 2009 “Benevelus Series” policy discussions on Wednesday, February 25, 2009, in the Longworth House Office Building. Herger is serving his 12th term in the House of Representatives and has been a member of the influential House Ways and Means Committee since his tenure began. In the 111th Congress, he was

appointed Ranking Member of the Health Subcommittee and also serves on the Trade Subcommittee.

Mr. Herger was very complimentary of the Franklin Center and its mission, saying the policy sessions and the TransAtlantic Conference provided an excellent educational exchange for officials. Moreover, the conference format provides a perfect environment for Members to build personal relationships, which regrettably does not exist in the day-to-day rush of Capitol Hill life, he said.

Herger began the discussion with reactions to President Obama’s first address to a joint session in Congress and commended the President for his optimism in America’s future. The Congressman, however, expressed concern about finding effective answers to issues the President raised like the broken healthcare system, deficit spending and the recessed economy.

In order to find solutions to the economic crisis, Herger suggested looking back in history and analyzing models other countries used to dig themselves out of downturns. He expressed doubt in the success of the Keynesian model and cited the 1930’s and Japan as examples of its failure. Rather than spending and putting money into the economy, Herger would like to see Americans living within their means and saving as much as possible.

The conversation then switched to the healthcare and trade debate, two issues on which the Congressman is well-versed. He agreed that repairing the healthcare system will be a difficult task and sees reforms happening in pieces rather than all at once. Although the current administration backs subsidized governmental healthcare, Herger has confidence that the American people will realize the drawbacks to such a system and deter its passage in Congress.

Herger was likewise concerned about trade and recognized how economic nationalism and protectionism always surge during difficult global economic conditions. Because of this, he was especially comforted to see the President break away from the anti-trade rhetoric used during the campaign and sees a need for Congress to move forward and pass trade agreements that have already been negotiated with South Korea, Columbia, and Panama. He realized, however, that these would be fierce policy and political fights and urged the business and academic community to do more to educate the American public about the benefits of open trade.

When asked about tax policy, Herger hoped to see changes in tax code and said he is not against the possibility of a consumption tax. He also would like to see revisions to the corporate tax rate and foreign dividends, which would benefit small businesses and create jobs at home.

At the close of the session, the Congressman spoke candidly about being in the minority and how it has manifested itself into a positive energy within the House Republicans. He viewed the agenda of the Obama Administration as having a galvanizing effect on the Republican Party, which he conceded had lost much of its reputation as the party of fiscal responsibility.