

## Congress of the United States

CONGRESSIONAL OVERSIGHT PANEL

# Opening Statement of Damon Silvers

## Taking Stock: Independent Views on TARP's Effectiveness

November 19, 2009

Good morning. First I want to express my appreciation to our staff for organizing this hearing with such a stellar panel. I want to recognize my friends Dean Baker and Alex Pollock, who like all of our witnesses today have written so thoughtfully about the economic impact of TARP.

The question of the economic impact of TARP is complex. TARP has been accompanied by other major interventions both in the form of the Obama administration's stimulus program and massive interventions in the credit markets by the Federal Reserve. I hope this hearing will help us focus on the distinct impact of TARP itself.

I am particularly concerned about the question of TARP's impact on the availability of credit for the real economy. In this context I simply do not think it is a relevant question whether we would be better off had there been no TARP. I think we should focus on whether the way we have managed the financial crisis is fair to the American public and whether it has really repaired our financial system or simply bought time at the risk of exposing us to a Japanese style lost decade.

I look forward very much to hearing from our witnesses