Gov. Rick Perry’s Address to the Texas Public Policy Forum

Thank you, Senator Gramm. It is entirely fitting to see you in front of a group that has picked a few fights on behalf of limited government, lower taxes and increased accountability. It’s an honor to be introduced by a man who married about as far above one’s head as a man can. Hello, Wendy. I also want to thank Barry Smitherman for being here this evening. Barry is playing a key role in our efforts to diversify our state’s energy portfolio.

It is a real treat to be here this evening. I have been impressed beyond words with the growth and maturation of this organization and your ever-increasing contribution to the governance of our state. By providing a forum for civil discourse, the Foundation allows all of us to explore innovative solutions for the pressing issues of our times. Regardless of what side of the aisle one might prefer, we’re all united in our desire to find solutions that work for Texas. I must confess that my perspective on the world aligns quite readily with the stated objectives of this Foundation, primarily because I believed in them before this group even existed. I believe that core, conservative principles work as well in real life as they do in a think tank simulation. I often tell people that I am not a big process guy. I am about achieving the desired result. Groups like yours and the legislators you enlighten are the ones who dive into the details. And our state is a better place for your efforts.

As I stand here today, the start of the next legislative session is just a year away. I am firmly committed to spending that year and that session refining the innovations we have championed. I want to continue our state’s progress on conservative principles like limited government, low taxation, accountability, and policies that allow individual Texans to prosper. After more than twenty years in this business, my philosophy of life, leadership, and governance has pretty much boiled down to one word: competitiveness. When you think about your kids and what you want for them, you want them to be competitive. You want to be judged by the marketplace on a level playing field, with the chance to succeed on your own merits, relying with others who are playing by the same reasonable rules.

In leading our state, we want Texas to have a fair shot at companies who are looking to expand or relocate, so our people benefit from the jobs created, dollars invested and revenue generated. Over the past eight years, we have made Texas one heck of a competitor. And each day, we have a chance to go further. Last month, our new Competitiveness Council met for the first time. In fact, a few of you here this evening were at that first meeting and
will be with us again at the end of this month when we gather again. I have charged this group with the task of helping our state cast off the shroud of “business as usual.” I want them to help us transfer best practices from the business world to government, placing a premium on agility, innovation and healthy competition. The old habits simply don’t work. They lead to stagnation, crippling debt and the exodus of talented people. In order to continue our positive momentum, we must all realize that if we’re not moving forward, we are falling behind.

Of course, every level playing field has visible white lines, clearly-understood rules and referees to keep things fair. That remains the job of government. So we will continue to provide consumer safety, appropriate environmental protections, and strong ethics. But people who heed the call to public service must fulfill the public trust by giving people the best chance to compete. So I have issued a two-fold charge to state and local government. First: identify roadblocks on our state’s path to global competitiveness. These may be conflicting regulations, unduly harsh restrictions or outdated requirements. Just because something worked in the past doesn’t always mean it will be the best approach for our future. Second: we must actually take steps to change those factors. Political theory means nothing unless you put it to work. And progress will come when our words become actions. Government should pursue policies that generate value for taxpayers. Some may call this heresy, but I believe government should be a proponent of growth.

Since I believe in leading from the front, I will be holding my own office to the same standards. Next year, I won’t even look at a piece of legislation unless it is marked with a “Competitive Impact Score,” not unlike the Fiscal Notes required by the Legislative Budget Board. It must answer the question, “Will signing this bill make Texas more or less competitive in the global economy?” Our efforts to fuel competitiveness will not stop with government. Our industry cluster initiative has taught us what it will take to make the core segments of our economy more competitive. One key area of focus is education.

For example, we need to make sure the curriculum in our public schools meshes with the requirements of future employers or educators. We can give a diploma to every student in our state, but we will not compete on the global level if they’re not ready for the workplace or the next level of education. I have long held the line on public school accountability and believe we should push for even higher standards. An environment in which a school can have 55% of its students failing science and still be acceptable, is entirely unacceptable. Higher standards and greater accountability for our schools will give our children the best chance to compete.

We live in a world where technology is accelerating at a blinding pace, the marketplace has become truly global, and economic power has become increasingly mobile People have become much more mobile too. In their recently published report, your guests at this very conference, Arthur Laffer and Stephen Moore, revealed that more than 8 million people moved from one state to another in 2006, and a whole lot of them came to Texas. According to their conclusions, they were not necessarily drawn here by our warm sunshine. Instead, they chose Texas They were drawn by business opportunities and a favorable tax structure that simply creates more jobs. Throw in economic development efforts like our Enterprise and Emerging Technology Funds and you have a state with its own gravitational pull. because our state gives them a great chance to pursue their dreams of success.

Our efforts have yielded fruit. Freeing business to compete has made Texas the number one exporting state in the nation for several years, created one million net new jobs in the past four years, and put us in the top five of Forbes Magazine ranking of best states to do business. In the global economy, investment flows to the convergence of educated talent, technology, business climate, infrastructure and markets. Dr. Laffer and Mr. Moore ranked Texas tenth nationally in economic outlook, but we need to try harder. I suspect that the mobility they discussed will continue, as individuals and corporations seek places in which they can compete and win. And I want Texas to be that place. Because a competitive economy creates jobs, which convey income, which improves lives and strengthens communities.

People who make money spend money, build things and lend a hand to those who need one. In remarks he made at
an event in December, Dr. Laffer said something that resonated to my core. He said: “The most immoral act a
government can ever perpetrate against its citizenry is to enact policies that have the effect of destroying the
production base from which all beneficence ultimately flows.” I do not want to be party to any such changes. Instead, I
am committed to spending my time making Texas more competitive in every way. I hope you’ll join me in this effort
and enjoy the adventure of continuing the transformation of our state.

Thank you. May God bless you and, by your efforts, may He continue to bless the great state of Texas.