

ADJOURNMENT TO MONDAY,
DECEMBER 5, 2011

Mr. WOODALL. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet on Monday next, at noon for morning-hour debate and 2 p.m. for legislative business.

The SPEAKER pro tempore (Mr. NUGENT). Is there objection to the request of the gentleman from Georgia?

There was no objection.

ENERGY INDEPENDENCE

The SPEAKER pro tempore. Under the Speaker's announced policy of January 5, 2011, the gentleman from Georgia (Mr. WOODALL) is recognized for 60 minutes as the designee of the majority leader.

Mr. WOODALL. Mr. Speaker, I thank you for the time.

You know, for folks who aren't accustomed to seeing what you and I just saw, I think that's quite a treat. In about—what does it turn out to be? In about 45 minutes, we've had the majority leader for the Republicans and the minority whip for the Democrats lay out in intricate detail the differences that we're facing here as well as the commonalities that we're facing here. That hasn't happened in a little while. It was a little more spirited today than it sometimes is as they come down on Friday afternoons to share with each other what the schedule will be going forward, but that's always a treat to see, and I hope folks enjoyed being able to be a part of that.

What I have on my mind today is twofold. We're talking about jobs. All day, every day in this body we're talking about jobs. And much like you saw the majority leader and the minority whip lay out competing opinions, competing views of what America should look like going forward, we have competing views about what creates American jobs. And I will tell you that, Mr. Speaker, we sometimes spend too much time talking about the creation side that we ignore the destruction side. Because it's absolutely about creating jobs, but it's so much easier to stop killing jobs.

Creating jobs, we can disagree about how to make that happen—lots of different proposals on the table—but destroying jobs should be something that we agree today should never happen, should be something that we say day in and day out we're not going to let happen. And that's the case as we talk about energy independence. Energy independence.

I'm going to quote my Georgia colleague, Jimmy Carter, Mr. Speaker. He was giving a speech in 1979. He said: "In a little more than two decades, we've gone from a position of energy independence to one in which almost half of the oil we use comes from foreign countries at prices that are going through the roof."

Sound familiar? Mr. Speaker, does it sound familiar? This was a speech

given in 1979. "In a little more than two decades, we've gone from a position of energy independence to one in which almost half the oil we use comes from foreign countries at prices that are going through the roof."

I'll tell you what else my Georgia colleague, President Carter, said: "I am, tonight"—in his 1979 speech—"setting a goal for the energy policy of the United States. Beginning this moment," he said, "this Nation will never use more foreign oil than we did in 1977—never."

Hear that. The speech given in 1979 by the President who created the Department of Energy, whose sole mission was to wean the United States from foreign oil and create domestic capacity to meet all of America's energy needs, not just because of jobs but because of national security is what the President said. "Beginning at this moment, this Nation will never use more foreign oil than we did in 1977—never."

Well, sadly, that has not come to fruition, and we're going to talk a little bit more about why that is.

Quoting again from President Jimmy Carter: "From now on, every new addition to our demand for energy will be from our own production and our own conservation. The generation-long growth in our dependence on foreign oil will be stopped dead in its tracks."

Folks, this is President Jimmy Carter—I would argue one of the more liberal Presidents that we've had in our lifetime—from my great State of Georgia. I'm going to be one of the most conservative Members that we have in this U.S. House of Representatives, and I agree with absolutely everything he said. I was 9 years old when he said it: never use more foreign oil than we use at this moment in 1977; every new demand for domestic energy will come from domestic energy production.

Who disagrees with that? Who disagrees with one of our most forward-thinking, energy-independent Presidents that we've had? Who disagrees?

Let's move forward. Let's look at U.S. oil consumption. 1973 to 2004 are the numbers I brought down today. This top line, U.S. oil consumption. U.S. oil consumption. Here we are in 1979 when the President was giving his speech: All the new demand, he said, will come from U.S. energy supplies.

The red lines are oil imports. Red line is the amount of oil that we are bringing in from overseas. Here's the President's speech in 1979. Here's that peak year in 1977. He was giving the speech in '79, but he said let's look at 1977, a peak year for our imports across the globe. We will never import that much oil again.

Well, look out there. Look right out there, 1996, 1997, 1998 through today, we absolutely are. And why? And why? The why is because of U.S. oil production.

You know, we talk—and again, you saw it with the majority leader and the minority whip. When they were talking

about their competing visions for a direction for America, they were talking about jobs. And the minority leader asked, he said: Name one economist who will tell you that reducing regulation creates jobs? That was an honest question. Name one economist who agrees that reducing government regulation creates jobs.

Folks, look at the Gulf of Mexico. Look at the Gulf of Mexico. Mr. Speaker, you know as I do, as you are from that part of the world, that America's largest shallow water oil drilling company declared bankruptcy in the midst of some of the highest costs per barrel of oil that the world has ever seen. Why? Why, Mr. Speaker, would a U.S. oil producer, the largest in the country, declare bankruptcy when the price that we're getting for a barrel of oil is among the highest in world history?

□ 1320

I'll give you the answer: Because the United States government wouldn't give them a single permit to drill. Hear that. More oil imports from around the world than ever before in American history, focus on both sides of the aisle on creating jobs, and the largest shallow water oil producer in America goes out of business because the American Government won't give them permits.

Tell me, who believes, Mr. Speaker, that that didn't cost jobs, that that regulatory decision to refuse to allow Americans to drill for American oil in American waters, as they have for decades, who believes that didn't cost us a job?

Now, good news. Good news. Those rigs that we would have been using to drill for American oil, they're not being moth-balled. They've just gone overseas to drill for foreign oil that we'll then be able to pay top dollar to get back in America.

Folks, why? Why?

This is an energy independence issue, and it is a jobs issue, and it is a national security issue.

Look back: 1980, after President Jimmy Carter's speech that said we will never import more oil, importing, here, six million, almost seven million, barrels a day.

Fast forward, 2008. That number's almost doubled to 13. It's almost doubled to 13. Folks, we're rich with energy in this country.

Mr. Speaker, you know, as I do, we have been blessed. There are countries around this world that don't have access to fresh water. We do. There are countries around this world that don't have access to beaches and to mountains and to waterways, and we do. There are countries around this globe that don't have access to energy, but we do.

Mr. Speaker, who is it who decides that we can't harness U.S. energy? Who is it? Is it some sort of natural law of nature that says we can't harness U.S. energy?

No. It's the folks who sit in these chairs. It's the folks who sit in these

chairs day in and day out who decide, no, no, you cannot harness American energy. You know where you ought to get your energy? Get it from overseas. Get it from overseas.

Now, you might ask, where is it we have to go overseas to get our energy? And I think that's a fair question, something that we don't talk about very much when we talk about free trade. You know, every single nation that America has had a free trade agreement with, we have a manufactured goods surplus.

We talk so much, Mr. Speaker, about the trade deficit that we have with the world. You've heard it. You hear it all the time, a trade deficit that we have with the world.

Why? It's energy. It's importing energy that creates the trade deficit. Those jobs we talk about, manufacturing jobs, good, high-paying manufacturing jobs, in everybody's district in the country, we have a trade surplus with every single nation with which we have a free trade agreement. What we don't have is an energy surplus.

These are the top oil-producing countries in the world, top oil-producing countries in the world. Our green line up top is the former Soviet Union; it changes over to Russia. You see it's right up there at the top even as we enter 2010.

This beige line is Saudi Arabia. It is also up there at the top as we enter 2010.

Down here you see the next biggest oil producers, China in purple, and Iran in blue. You tell me if that's who you want to import our energy resources from.

And here, in red, is the United States of America. This is production in millions of barrels per day. This line should be going up. This line should be going up, and this line is going down, and the question is, why? Why?

Look again to the seats in this room, Mr. Speaker. Look again to the policy-makers in this country. Bill after bill after bill we have passed in this Chamber, Mr. Speaker, that would free up the American energy production that would create jobs, not tomorrow, not a week from tomorrow, not a year from tomorrow, but today, that would create jobs today, and those bills languish in the Senate.

Do not tell me that regulations don't impact jobs. Asking the question, does an economist agree that regulation removal would create jobs, folks, we don't need an economist. We need any mom or dad in the country. We could get a sixth grader to come and say what's going to happen. If regulations put people out of business, removing those regulations will let them come back in.

Largest oil-producing countries in the world, Russia, Saudi Arabia, Iran and China and the United States of America—we're in good company. We are in good company, Mr. Speaker, in the top five oil-producing countries in the world; but we're going down while

every other country is going up. We are producing less, while folks with whom we have fundamental disagreements about a world view, their production goes up.

And so who do we get our oil from, Mr. Speaker? Are we able to find enough oil in this global market to buy only from our friends? No, we're not. We buy from anybody who'll sell to us. And I don't need to speculate on what they do with the dollars we give them. I think we all have suspicions of our own.

This chart, Mr. Speaker, is American oil production, U.S. field production of crude oil. We had a slow start back in the 1800s. We didn't know how powerful it was going to be. I'm not going to fault us for that.

We started to sort out the technology, Mr. Speaker; we started to put it to good use. You see that spike running right up into the 1970s when President Carter was giving his speech. In fact, there's a little jog in the chart here, Mr. Speaker. You can't see it, but oil production went down, and Jimmy Carter gave a speech. He said, we are going to find domestic sources for American energy. We are not going to sell our future away to the world for the price of a barrel of oil. We are going to do it ourselves. And so you see an uptick.

President Carter, you know, he's known for oil, oil embargoes, this energy speech. But really solar energy for which I would say I remember President Carter most fondly. He began that huge push for alternative sources of energy, and he was focused on that throughout this time. But his commitment to energy independence was every bit as large as his commitment to solar energy, and we began to produce more oil.

Now, follow that line, Mr. Speaker, from 1990 straight down through 2010. Straight down.

It's not that we're not blessed with energy, Mr. Speaker. It's that we're also blessed—I'll use the word loosely—with a Congress that believes, or at least believed before this freshman class got here, that they're the smartest folks in the room, and if only the rest of America will do what they want them to do, America will be better off.

Mr. Speaker, the decisions in my community about what makes the families in my community better off are made around the family dinner table, not 640 miles away in Washington, D.C. The decisions about how to make ends meet are made around that dinner table, not 640 miles away in Washington, D.C. The decisions about the environment, about transportation and about jobs are happening at that local level until we destroy that opportunity from Washington, D.C.

We have the oil. We could turn this chart around today; but, regulatorily, we won't allow it to happen.

Next time, Mr. Speaker, someone talks about a jobs proposal, I hope you'll direct them to jobs.gop.gov. Be-

cause you know as I know, Mr. Speaker, at jobs.gop.gov you will find the list of more than 20 pieces of legislation that we have passed in this Chamber that sit idle in the Senate that will create jobs, again, not tomorrow, not next week, not next year, but today. Today.

Where's an economist that believes reducing regulation creates jobs? Folks, that's not the question. The question is, is there a family in America that doesn't know for a fact that reducing regulations creates jobs? We're not talking about thwarting clean water, folks. I drink out of the same spigot everybody else does. We're not talking about thwarting clean air. I sniff out of the same air that everybody else does. We're not talking about those public health and safety issues. We're talking about national security.

When you look at this chart, Mr. Speaker, it talks about the nations that produce oil, the oil that we need to run this country, Russia, Saudi Arabia, Iran and China.

□ 1330

Is there an environmental issue when it comes to energy production? You bet there is. But I propose this, Mr. Speaker. Give us energy independence. Give us energy independence in this country, Mr. Speaker, by whatever means necessary, by hook, by crook, you drill, you dig, you put the solar panels on the roof. Do whatever you have to do. Give us energy independence today. And I'll be glad to have the discussion that the President from my great State of Georgia started in the late 1970s about having enough alternative energy sources to fund this country.

Folks, who doesn't love green? Green's wonderful. I saw a study the other day that said it's the most soothing color for children. Green's wonderful.

Green's not what we get when we have to bargain with Russia, with Saudi Arabia, with China, and with Iran to get the lifeblood that keeps the American economy going. Green is not what we get.

Folks, drill, dig, do whatever you have to today to achieve energy independence to reduce this imported number. Twice as much oil being imported today as we were when President Carter gave his speech that it would never rise again.

We can do it, Mr. Speaker. We're Americans. We're the greatest engineers on this planet. We have the hardest working workforce on this planet. We have folks who are willing to save and sacrifice like nobody else on this planet. We can do it. The question is, Mr. Speaker, are we in the U.S. House, in the United States Senate, down at 1600 Pennsylvania Avenue in the White House, are we going to free the American people to pursue that goal?

You know, I came to this Congress about freedom. I don't actually view my job as the job of being the smartest person in the room. I view my job as

protecting the freedom of folks back home, because if you've not been down to the seventh district of Georgia, Mr. Speaker, I'll tell you you're going to find some of the smartest folks in the land right down there. It's kind of the north metro suburbs of Atlanta. And folks run this country from there with the decisions they make every day of the week.

We don't need a Federal law that tells you whether to buy a Snickers or a Twix. I'm sure we could have a spirited debate about that here in this Chamber. But we don't need a law to do it because folks just make that decision every day. Are there enough peanuts in Snickers, Mr. Speaker? Do you think we should have them add some more?

You know, those are the kinds of things we decide we're going to regulate out of this body in the name of making everybody happy. The children, when they get their trick or treat bags on Halloween that have the mini-Snickers in there, how much happier would they be if each of those mini-Snickers bars had eight peanuts in them instead of just seven? They'd be so much happier. And it would help peanut farmers in Georgia. It would be a home State jobs creation initiative. We should regulate that from Washington, DC. No. Because families regulate that. If you don't like the peanuts on the Snickers, you're going to get a Payday bar. If there are not enough peanuts in Payday, you're going to go on to the next one.

We as Americans, Mr. Speaker, not as congressmen, as Americans, we sort out these decisions a thousand times a day. How do we get more freedom then, Mr. Speaker, back into individuals' hands?

We're talking about jobs, and that's, again, energy independence. It's a national security issue. It should be the focus of everything we do in this House because it's a national security issue. If you don't believe we would make different foreign policy decisions, Mr. Speaker, if we were not dependent on people who hate us to fuel this economy with their oil, I'd have to disagree because I'm absolutely certain of it. We would make better foreign policy decisions if we produced our own energy resources—and we can.

We're the Saudi Arabia of coal, for Pete's sake. What has this body over the past several years been trying to regulate right out of existence? Coal. The one resource that we have in abundance more than anyone else on the planet. And folks in their wisdom have decided that it would be better not to harvest our coal and instead import oil from people who hate us.

Folks, that's not freedom. That's decisionmaking going on right here. And I promise you we'll get it right in the Seventh District of Georgia more often than not. And when folks believe they're the brightest people in the room, they start to make mistakes.

That brings me to the FairTax.

Oh, Mr. Speaker. You know the FairTax is a tax bill, but at its heart, it's a freedom bill. What the FairTax is, Mr. Speaker, if you haven't looked at it recently, it's a fundamental change in the way we tax America. Today we tax income, and of course, the power to tax is the power to destroy.

I ask young people when I go to schools to speak, I say, Who wants to come to work for me? I'm going to work you hard, and I'm going to work you long. And I'm going to give you \$10 an hour. I get a couple of hands that go up. Apparently \$10 an hour is not as much today as it was back in my day. I would have jumped at \$10 an hour. But I get hands that go up for \$10 an hour. Then I say but I'm going to have to tax you \$9 of that so you're only going to be able to take home \$1. Now who wants to come work long hours for me? All of the hands go down.

The power to tax productivity is the power to destroy productivity. The power to tax income is the power to destroy income. Why? Why do we want to destroy that which makes this country great?

So the FairTax shifts that paradigm. Instead of taxing what people produce, we want to tax what people consume. A consumption tax. You've all seen it. It's in your sales tax. Back home in your State you get taxed on what you consume. And we could do it.

I'll tell you, the FairTax is a jobs program, because when we stop taxing productivity, we get more of it. That creates jobs. I'll tell you, the FairTax is about transparency.

You know, Mr. Speaker, the payroll tax, that 15.3 cents out of every dollar that comes out of your paycheck, that FICA line that you see, now 7.65 percent comes from the employee, the other 7.65 is hidden as an employer tax, but it's a 15.3 percent payroll tax.

Did you know, Mr. Speaker, that 80 percent of American families pay more in the payroll tax than they do in the income tax? Eighty percent of American families pay more in the payroll tax than they do in the income tax.

Now, I just got back from Thanksgiving. I've got doctors in my family, I've got teachers in my family, I've got all sorts of folks so I can assure you, Mr. Speaker, I got an earful throughout the entire Thanksgiving dinner. It was more of a three-day festival for me. Different sides of the family coming into town, and I got lots of good advice about how we should do things differently up here.

But you know not one person mentioned the payroll tax. The income tax was a hot topic. But nobody mentioned the payroll tax, and it's the biggest tax that 80 percent of Americans pay. Why? Because the payroll tax is hidden in every single paycheck that you get. You don't feel it. The government gets its share first. You get your share second. You don't feel it go away unless, Mr. Speaker, you're one of the self-employed folks in America. And instead of

paying the 15.3 percent payroll tax, you pay the equivalent 15.3 percent self-employment tax. And then you feel the bite of that tax each and every day. You know that's the biggest tax that you pay.

The FairTax, instead of allowing all of those taxes to be hidden, hidden in business taxes, hidden in income taxes, hidden in payroll taxes separated out so you don't feel the pain, the FairTax takes your entire Federal tax burden and sticks it into one rate, a sales tax on everything that you buy. One rate.

Now, that rate would have to be 23 percent. That's a big number. Twenty-three percent is what the sales tax rate, the FairTax rate would need to be in order to replace Federal income taxes on businesses, on individuals, Federal payroll taxes on businesses, on individuals, the gift tax, the death tax, the capital gains tax, the dividend tax, all of those Federal taxes on income, the FairTax could replace them all with a 23 percent personal consumption tax there at the cash register.

And you'd see it, Mr. Speaker. Can you imagine? Today I can just raise an excise tax here, raise a quarter of a percent on income tax there. I can do lots of funny math as they like to do in Washington, DC, because folks can't feel the pain. They always think it's not going to tax me. It's going to tax somebody else. Yes, I vote "yes" because it's going to tax him instead of me. The FairTax puts us all in the same boat and let's us see how much the United States Government costs us.

I'm a cost-conscious shopper, Mr. Speaker. I brought a marker down here with me today in case I had to write any big red marks on my chart. This was free with rebates at Office Max last week. I don't know if anybody else got it. Free with rebates for this marker. Dollars and cents matter. We make different decisions in our personal purchasing life when we experience those costs.

□ 1340

Transparency let's you know how much your government is costing you.

Does everybody want a free marker? Yes. Does everybody want to pay the \$6.95 it would have been if it weren't free with a rebate? I think not.

It puts the entire cost of government out where you can see it. Most importantly, the FairTax is about individual freedom.

Folks, have you thought about how the Tax Code manipulates your life?

It doesn't matter whether you sit on the far right over here with the Republicans or if you sit on the far left over there with the Democrats. Sometimes something happens when you show up in Washington, D.C.—and you do. You believe you're the smartest person in the room. Everybody tells you how wonderful you are. You think your ideas are so great. Then you decide—you know what?—that I should reward people for doing this behavior and that

I should punish them for doing that behavior, and if I do it, they'll be happier and America will be better.

So what am I going to do?

I'm going to put a tax on gasoline because I don't want people driving to work. That's bad. Then I'm going to put a tax credit on electric vehicles—right?—because that's green. We were talking about green earlier, Mr. Speaker. I'm going to put a tax credit on electric vehicles. So I'm going to punish those people who buy oil at the community gas station, and I'm going to reward those people who go out and buy these \$60,000, \$70,000, \$80,000 electric vehicles.

I don't actually think that's very good tax policy, but we have the power to do that. We can manipulate your behavior every day of the week by changing how the Tax Code touches your pocketbook. I was talking about that electric vehicle tax credit. That wasn't just an example. That wasn't just something I made up.

Do you remember when this President passed his energy bill? It included in it a tax credit of \$6,500 for everyone who would go out and buy an electric vehicle. Well, again, the Volt was not on the market at the time in the 40s, and the only vehicles out there were in the \$80,000-\$90,000 range. But Americans are industrious, which is why, if you leave America to Americans, we're going to be just fine. Americans are industrious.

What they found out was, if they put brake lights on their golf carts, as well as some side view mirrors, some good seatbelts up front, some headlights and windshield wipers, that the Department of Transportation would certify those golf carts as road-ready vehicles, and they could get the \$6,500 tax credit. Ah. Now it turns out you can't buy an American-made golf cart for \$6,500. Our golf carts are a little more expensive than that. Yet our friends in China are not only willing to share their oil with us—guess what?—they're willing to share their golf carts with us, too. So it turned out, at the end of tax year 2009, Americans were literally standing in line for VIN numbers for Chinese golf carts so that they could claim this tax credit. Free golf carts for all.

Did anybody get one, Mr. Speaker? Did you get that free golf cart? Don't tell me if you did. I know some folks who did. I'm not proud of it, but I know some folks who did. Free golf carts for all from the United States Tax Code.

Folks, when we bring all that power and all that authority here, it gives us the power to manipulate your life, and we don't always manipulate it for the powers of good. I would tell you, even when we're trying to manipulate it for the powers of good, as the President was trying to manipulate it for the powers of good in his energy bill, we run afoul. Why do we need to pay people to engage in behavior? We make those decisions each and every day.

The FairTax abolishes the income tax code so that no longer can people

who think they're the smartest people in the room in Washington tell you how to live your life. It's not just a crazy conservative, Republican idea. No. We have that idea from folks on the other side of the aisle, too.

Let me quote President Obama:

You've got too many companies ending up making decisions based on what their tax director says instead of what their engineer designs or what their factories produce, and that puts our entire economy at a disadvantage.

You were here, Mr. Speaker, when the minority whip asked: Is there any economist who believes that regulations destroy jobs or that removing regulations would create jobs?

We don't need an economist. We've got the President of the United States:

Too many companies make decisions based on what their tax director says, based on tax regulation, instead of what their engineer designs or what their factories produce, and that puts our entire economy at a disadvantage.

President Barack Obama.

We'll go more:

We need to make America the best place on Earth to do business. A barrier government can remove is a burdensome corporate tax code with one of the highest rates in the world.

The minority whip asked: Where is the economist that believes that repealing regulation is going to create jobs?

It's the President of the United States:

A barrier that government can remove is a burdensome corporate tax code with one of the highest rates in the world.

We can do that. We don't need world approval. We don't need to shop that around for a decade. We could do that here, and we have legislation drafted to make it so.

I'll quote Senate Majority Leader HARRY REID:

Our tax system is broken, and it needs to be fixed.

I probably could have quoted any American and would have gotten that same sentence. I don't think there is anybody who disagrees with that, Mr. Speaker. Our tax system is broken, and it needs to be fixed. Where are the ideas to fix it? I tell you they are here in this House, Mr. Speaker—the FairTax. The FairTax, this personal consumption tax that I'm talking about, has more cosponsors on it—more Members of Congress who have added their names to the bill who have said they want to be a part of that—than any fundamental tax reform legislation in either the House or the Senate. It has the most Members in both bodies. We have proposals to fix it.

Let me quote House Minority Leader NANCY PELOSI:

Any tax reform and closing of loopholes, which is really important for us to do as a sense of fairness, must also reduce the deficit.

The minority leader knows we've got to cut out these loopholes, these tax

breaks, these deductions, these exemptions. We hear that down here, Mr. Speaker, and you've heard me go on about it in the Rules Committee. Folks come down here, and they say, Oh, I hate this tax break or I hate that tax break. Oh, this loophole is unfair or that loophole is unfair.

Folks, every loophole is unfair. Don't just pick on the oil companies because you don't like oil companies. Don't just pick on the solar panel companies because you don't like solar panel companies. Every loophole is unfair. Everything that advantages your business over another business is unfair. Everything that advantages your family over another family is unfair. There is no secret spot that we go to here in the Congress to get money to pay our bills. There's not one. There's no secret spot. It comes out of American taxpayers' pockets—every penny.

When you cut a special break to a special interest, only one of two things is going to happen—they're going to pay less. So either you, the American taxpayer, is paying more, Mr. Speaker, or we, collective America, are borrowing more and passing that bill on to our children and grandchildren.

Why? Why do we give the special tax breaks and the loopholes? Who elected us, Mr. Speaker, to decide who wins and who loses? My people sent me here to protect their freedom. They're going to decide who wins and who loses by the sweat of their brow and by the power of their ideas. They didn't send me here to choose.

The Tax Code is not supposed to be about picking winners and losers. It's supposed to be collecting whatever revenue there is that we need to run this country. You can't run a country for nothing. I'm not a guy who says let's abolish all taxes all the time. We have a social contract in this country, and we have to collect dollars to pay for national defense. We have to collect dollars to pay for homeland security. We don't need to dispense favors from the Tax Code.

I challenge you, Mr. Speaker, to help me challenge our colleagues. If you want a special favor for that special interest in your district, don't hide it in the Tax Code. Bring it down here as a spending bill. Let's debate it. Instead of saying, Oh, my favorite special interest back home, I want to give you a 50 percent tax break—instead of that, why not just come to the House floor and say, Hey, I just want to write you a big check for 50 percent of your tax bill—because that's what it is. That's all it is—every single tax break, every single tax loophole, deduction, exemption, on and on.

□ 1350

We call it part of the Tax Code; it's just the government writing you a check. Folks we're broke, 15 trillion in debt that we're passing on to our children and our grandchildren. We can't write those checks.

The FairTax does away with that. All the exceptions and exemptions make

the Tax Code transparent for people to understand. Now, one of the things I hear these days in this tough economic time—and it is a tough economic time—folks say, but, ROB, if we had a consumption tax like what you're proposing, people are consuming less in these tough times, and so we're not going to have enough money to run the government.

Well, folks are right. We are absolutely consuming less in these tough times, and I encourage you to consume even less going forward, tighten the belt. Think about that next purchase. Make those decisions. Tighten it as much as you can. Saving is the virtue.

For far too long, we've celebrated consumption as the virtue. We have a chance right now, and it's only right now, Mr. Speaker. We haven't had this chance in almost 100 years. America used to produce what the rest of the world wanted. America used to be the exporting giant that sent the world the goods that it needed and the middle class prospered as a result.

Well, we've gotten out of that habit. We've gotten out of the production business. We're putting more businesses out of business every day with the regulations we've talked about earlier. Now we're in the importing business; now we're in the borrowing business.

But, Mr. Speaker, we have a once-in-a-lifetime opportunity right now. Why? Because there are a billion new middle class Chinese consumers coming online today, and they want what we make. There are a billion new Indian middle class consumers coming online today, and they want what we make. We do not have to buy everything from the world. We can produce everything for the world.

Consumption is not to be celebrated. Production is to be celebrated, which is why I want to take the tax off production and put it on consumption.

This chart represents—the blue is personal consumption through the years, the last decade. The red is personal income. And what you'll see is the red line drops below the blue in bad times and above the blue line in good times. What does that mean?

The red line is income. The blue line is consumption. Yes, it's true that in bad economic times we consume less but, guess what, we earn even less than that.

Is there less personal consumption going on today, Mr. Speaker? There is, but also less personal income going on today. Folks don't have jobs. When you tax income, you tax one thing and one thing only and that's the production that you had today.

When you tax consumption, you tax, perhaps production from today, also savings from yesterday and also borrowing from tomorrow. It's a much more stable income stream for the government. And let me tell you why that's important.

Mr. Speaker, you know, we've only been in this House 11 months now, part

of the biggest freshman class this body has seen in a generation. But in just this period of time, we have learned that it's hard to cut spending, hard to find agreement. It takes 218 votes to cut spending. I'm having a hard time finding those 218 votes on programs I want to eliminate. It's hard.

But because income drops lower in tough economic times than consumption, and because income rises higher in good economic times than consumption, what happens is in the bad times, because we have an income tax, we end up borrowing more to pay our bills and in the good times when we have a surplus, how much did we save? Mr. Speaker, do you remember? How much did we save and put a way for a rainy day during those 3 years of surplus in the 1990s? A lot? No, it was zero. Oh, but we spent some more. Oh, boy, did we spend.

And by "we," Mr. Speaker, I know you weren't here. But, boy, did this Congress spend. In good times if you send this Congress the money, it's going to spend it. Don't send it. Don't send it. Because the consumption tax flattens out the volatility of the tax receipts in this country so that in bad times we don't have to borrow as much and in good times we don't spend as much.

That's important because that gets multiplied over Congress after Congress after Congress. You know, the FairTax isn't some sort of amazing record-breaking idea. It just says get the government out of the way. You know, when this Republic was founded, the only way we funded this government was through consumption. That was the only tax we had, a consumption tax.

That's how we funded the government because our Founding Fathers said, if you have enough money to import china from China and silver from India, then you have enough money to help to keep this country afloat. If you have enough money to spend big, you have enough money to pay taxes big.

But let's talk about the individual American family for a moment. You know, back when the income Tax Code started in the 20th century, the Tax Code was 400 pages long, 400 pages long. Now, I read a lot of legislation around here, Mr. Speaker, as you do, and 400 pages is a lot of pages to get through, but I can sort that out. By World War II, 1945, the Tax Code was 8,000 pages long, grew 20 fold in the first part of the century.

By 1984, its was 26,000 pages long; and, Mr. Speaker, we're getting past the amount of pages that I can digest. We're getting past the amount of pages that I can sort out on my own. I'm having to hire professional help now. I've got to hire staff like I.S. Dunklin here in order to sort through all of this Tax Code. That's 1984—26,000 pages; 2004—60,000 pages; 2011—72,000 pages, Mr. Speaker.

Who is it? Which is that American family that has so much extra time on

their hands today they've sorted through 72,000 pages of Tax Code to figure out what the tax bill is. It makes a criminal out of all of us, out of all of us.

Did you see the article in Money Magazine? They brought in about 20 different tax preparers, gave them average, middle class families, incomes and deductions and credits, you know, their life, of 20 different tax preparers who looked at this one family's circumstances. How many of them do you think came up with the same answer? How many of them came up with the same tax bill? Zero.

Twenty different tax preparers, 20 different answers about what this middle class American family would owe. You can't sort through 72,000 pages; and, why, this is the thing about the FairTax, Mr. Speaker. We have inherited this Tax Code. This Congress has inherited this Tax Code from those who have gone before us, but we don't have to keep it. That's what's so great about America. We get to choose; we get to decide.

We could erase the Tax Code today. Instead of 72,000 pages, we could have this. We could have a blank page, and we could begin anew to decide what we want the American Tax Code to look like.

Folks, I don't mind paying taxes. I just don't want to pay someone to help me pay the taxes. I don't mind paying taxes, but I don't want to be at risk of getting arrested because I didn't do it right. I only spent 60 hours trying to sort it out, and it should have taken 70 hours.

Folks, if you have to pay the government, if the government has to get the money before your family gets the money, why can't we make it easy? And I'll tell you that we can. Making it easy is what it's about for the American family, but making it easy also has an impact on jobs.

You know, don't think for a minute that we don't live in a global economy. Why, it hasn't always been true. Back in the 1970s we were a little more insular. As a Nation, we could make some different choices.

But today money can leave this country with the click of a mouse. One click of a mouse and you can transfer a trillion dollars from here to Zurich. And guess what, the big CEOs can get on their plane and they can fly to Zurich too. And guess what, the folks who live in Zurich they want jobs too. Everything that has to do with the prosperity of this country can get up and leave, except for the American worker.

You and I are here. You and I aren't going anywhere. So we are invested in making sure that those people who provide the jobs for us stay here too.

Look at the average effect of tax rates. This is effective tax rates. I have got some other charts that talk about the statutory rate, because the statutory rate for business taxes in America is the single highest statutory rate in the world. Again, you can create a

company with a click of a mouse. You can move your trillions with a click of a mouse.

Where are you going to move them? You are going to move them to the country that has the highest rate in the world as America does, or you can move them somewhere that has a lower tax rate.

Folks, as the minority whip was asking if we had an economist, we don't need an economist to sort that out. Every high school student who has had a semester in economics knows if somebody is taxing here and somebody is taxing here, the money is going to go to the low tax jurisdiction. That's the marginal tax rate.

But look at the effective tax rate, because you might be thinking, but, ROB, you just told me about all of the loopholes and the exemptions and the credits. I bet that's how America stays competitive. We just give away all of these freebies kind of under the table to all of our businesses, and that keeps them afloat? No and no.

The effective rate is the rate that folks are paying after you factor in all of those loopholes and exemptions. United States, 27.7 percent. The 58 other countries in the OECD, that group of economically developed countries from around the world, those people who are competitors in a global marketplace, their average rate, 19.5, 19.5. Our friends in the European Union, you have probably been following them. They have got this breed of socialism that's been pervasive over there. It's putting their business out of business one by one by one by one.

□ 1400

You probably think they've got the really big tax rate. No, no, they're just 21.9. The big tax rate belongs to the land of the free and home of the brave. Folks you don't need an economist to sort this out.

Mr. Speaker, we know if we charge employers more to stay here, they're going to do what? Leave. And if we charge employers less in America, they're going to do what? They're going to stay, and more importantly, they're going to come. They're going to come. The Tax Code is a business opportunity. It does not have to be a burden. We have simply made it a burden in this country.

This map shows you what the global tax rates are around the globe. We're here in orange in the 30 to 39 percent rate. We're actually at 39. So we're the highest of the orange countries. Look here who is in 10-19. Here we are, we're up here around 40 in America. Look at our friends to the north. Anybody been to Canada recently? It's not a bad place. They've got good schools, good energy infrastructure. Wars don't break out there very often. Nobody's out to get them. It's pretty pleasant. They charge businesses about half of what we charge for them to have the pleasure of doing business there.

Now, I'm just asking, Mr. Speaker, you see the young people that come

through this Capitol. Ask them, where would you start your business? Would you start it in the country that has the 40 percent tax rate or would you start it in a country that has a 20 percent tax rate? Businesses don't pay taxes. Consumers pay taxes, and when we burden our businesses, we not only reduce the number of jobs that are available in this country, but we reduce the competitiveness of our goods overseas, and that's where the American competitive future lies. We must become the exporter to the world, and we cannot do it when we hide taxes in the price of everything we pay.

Have you ever walked up to a Coke machine? I'm from Atlanta, as you know, Mr. Speaker, and we're the home of Coca-Cola, and I like to say wonderful things about Coca-Cola, and I do on a regular basis. But when I walk up to a vending machine out here on Independence Avenue, and there's a Coke machine there and there's a Pepsi machine there, the price is always the same whether you want to buy a Coke or Pepsi. Why is that? Why is the price the same? Why doesn't Coke decide they just want to make a whole lot of money and they're going to charge \$2 while Pepsi is only charging \$1? Even better, why doesn't Coke charge \$5, while Pepsi is charging \$1? And the answer is competition.

There comes a time when you cannot sell your product because the price is too high. These orange Nations are raising the price of those products. The green Nations are lowering the price of their products. Look at the green: it's our neighbors in Canada, it's our neighbors in Europe. We cannot compete today with this Tax Code. And who gets to change it? How hard is it, Mr. Speaker? Where do we have to go to find the wisdom to change the Tax Code? Oh, good news. It's right here, right here with us in this body. We can erase the code and start fresh tomorrow.

Mr. Speaker, people talk about these things as if they're unattainable. The income tax hasn't always been in this country. It started in the early part of the 19th century. We can stop it just as effectively as they started it. We get to choose.

Looking at the top 75 countries—you're going to have a tough time reading it, Mr. Speaker. These are 75 Nations around the world ranked by how easy it is for businesses to pay taxes in those countries, ranked by the ease of tax compliance. Let's see, we've got a lot of smart guys in America. Maybe we're up here at number one? No. There's Hong Kong at number three. That's a thriving economy. Ireland here at number five. We've got Canada here. We knew they were going to do well. Denmark, Switzerland. No, there's America, over in column number four at number 69. Mr. Speaker, it's an embarrassment. Top 75 countries by ease of paying your tax bill, America is number 69. There are dictators in these other countries that write the tax

codes. There are monarchs in these countries that write the tax code. We're the land of the free and home of the brave. We write our Tax Code, and you want to know where the jobs have gone, Mr. Speaker? We have run the jobs off one by one by one. Stop the nonsense about talking about growing jobs and you're still running jobs out. Keep the jobs we've got and the new jobs will come. We can fix this.

Sixty-nine out of 183 countries America ranks, and in terms of the level of the corporate income tax, the level, 131 out of 183. People wonder, they ask the question all the time, why are jobs leaving America? I don't think government can stop it. Government stopping it? Government's causing it. Get that: Government's causing it, and we can stop it, and we must.

But you might be thinking, well, good news, Rob. At least if we've got this terribly burdensome Tax Code and at least if we've got the highest corporate rates in the world, at least if we're doing things more stringently than anyone else on the planet is doing them, we must be getting a lot of money for it; businesses must just be paying tons here. Oh, no. No. Revenues as a percent of GDP, you see the U.S. down there in red. Here is the OECD, the average. We're down there at the bottom.

For all the pain and suffering that we put businesses through to make them pay their taxes, for all the jobs that we lose in this country because businesses know it's too complicated to do business here, we don't get much for it.

Interesting sideline, Mr. Speaker: If you go over to the former Soviet bloc countries, you'll find most of them have flat taxes these days. The flat tax, consumption tax, sales tax, all of these taxes that we know generate job growth. We can't get one in America, but the former Soviet bloc countries got one. They all got them. Why? Because they were starting new countries where they could start from scratch and do it any way they wanted to. And when you start from scratch, you end up with a flat tax. You end up with a consumption tax. You end up with something that's going to grow your economy instead of punish it. We're punishing our economy, and we're not getting a thing for it.

Mr. Speaker, H.R. 25 is the FairTax. H.R. 25. Folks can find it at thomas.loc.gov. That's the Library of Congress' Web site that does all of the legislation, posted for all Americans to see and read. It's only about 115 pages long. It's a short read, not 75,000 but 115 pages long, talking about what we could do if we had the will to do it. I think we do have the will. We have more cosponsors of the FairTax than any other tax bill in the House. The Senate, the Senate version of the FairTax, more cosponsors on the Senate version of FairTax than any other fundamental tax reform bill in the Senate. We can do it, Mr. Speaker, but it's a heavy lift.

And if folks have suggestions, Mr. Speaker, if you would encourage folks, if it's about the FairTax, if they know how we can get this country back on track, they can send an email to fairtax@mail.house.gov and you will be able to see it. If it's about energy independence and how we can change national security in this country, how we can reclaim all of the bounty with which God has bestowed this country, energyindependence@mail.house.gov, Mr. Speaker, is an email address that folks can send their ideas to about how we can get this going forward, because I am certain as I am that the sky is blue that the best ideas for saving America in this time of crisis, Mr. Speaker, they are more likely to come from the family dinner table back home than the committee hearing room here.

That's who we are here. We're just folks who used to be at the family dinner table back home, and we've taken 2 years out of our lives to come up here and be a part of a larger discussion, but the good ideas still come from back home. Mr. Speaker, if folks would send in those ideas, we can begin to change this Chamber one seat at a time. We can begin to effect this process one Member of Congress at a time. Members of Congress don't change their minds or change their votes because of lobbyists on Capitol Hill. No, they change their minds and change their votes because of lobbyists back home, and that lobbyist is named Sally the pharmacist, and that lobbyist is named Steve who works at the foundry. Those lobbyists are the individual voters back home. That's what effects change in this place. That's what causes change to happen in Washington, DC.

The American people still run this Republic. I see it every day, and Mr. Speaker, if the American people would reclaim this House, reclaim this House by reclaiming their Representatives, by pushing forward those commonsense ideas—we don't need an economist to tell us, we know it to be true—we can reclaim this country.

□ 1410

I'm not telling you it can happen overnight. I'm not telling you it's going to be easy. But if there is one thing I am certain about America, Mr. Speaker, is in times of crisis we get the job done. If there's one thing I know about the American family, it's if you tell the American family they can't, then they will. We can do it, Mr. Speaker. 300 million Americans together can do this, but their ideas have to be heard.

This big freshman class, I would argue, is doing a better job of making the families' hopes and dreams heard on Capitol Hill than we've seen in my lifetime. But we can still do better. [Fairtax@mail.house.gov](mailto:fairtax@mail.house.gov) and energyindependence@mail.house.gov. We will get those ideas heard.

Mr. Speaker, I'm grateful to you for providing me the time this afternoon. I yield back the balance of my time.

MESSAGE FROM THE SENATE

A message from the Senate by Ms. Curtis, one of its clerks, announced that the Senate has passed without amendment a bill of the House of the following title:

H.R. 2192. An act to exempt for an additional 4-year period, from the application of the means-test presumption of abuse under chapter 7, qualifying members of reserve components of the Armed Forces and members of the National Guard who, after September 11, 2001, are called to active duty or to perform a homeland defense activity for not less than 90 days.

ENERGY POLICY

The SPEAKER pro tempore (Mr. GOSAR). Under the Speaker's announced policy of January 5, 2011, the gentleman from Maryland (Mr. BARTLETT) is recognized for 30 minutes.

Mr. BARTLETT. Mr. Speaker, on the 8th day of March, 1956, a scientist, geologist by the name of M. King Hubbert spoke to an audience in San Antonio, Texas. The audience was a bunch of oil people. He gave what I think is going to be recognized as the most important speech of the last century. It was really a very audacious speech. At that time, the United States was King of Oil. We produced more oil, we sold more oil, and we consumed more oil than any nation in the world.

M. King Hubbert told that group of oil geologists and company executives that in just 14 short years the United States would reach its maximum oil production, that no matter what they did after that their oil production would decline. This was an incredible speech. Essentially no one believed it because, as I say, at that time the United States was the King of Oil, producing more, shipping more, consuming more than any other nation in the world.

For a number of years, M. King Hubbert was a pariah. Nobody believed him. He was kind of relegated to the lunatic fringe. In 1980, 10 years after his prediction that the United States would reach its maximum oil production, you could look back, and what you saw is shown on this chart. This, of course, goes out beyond that year. What you see is what happened then.

The United States did reach its maximum oil production in 1970. After that, the production fell off no matter what we did. Now, there was a little blip on the downside because we found a lot of oil in Alaska. You can see it there on the chart. And we found a lot of oil in the Gulf of Mexico, the yellow that you see there. There was a little blip on the down slope, and M. King Hubbert had not included in his predictions the oil that we would find in Alaska and the Gulf of Mexico. He included only the lower 48.

This chart shows where that oil came from. A lot of it came from Texas, the biggest single source of oil. The first oil, of course, was found in Pennsylvania and part of the rest of the USA.

Then you have natural gas liquids on the top. As we found and used more and more natural gas, the natural gas liquids increased. That's not gas in your gas tank. That's propane and butane and things like that.

This is something that could have hardly been believed. How could a country as creative and innovative as the United States possibly not be able to continue to produce more and more oil when they needed more and more oil?

What M. King Hubbert did was a pretty simple thing. Oil had been pumped for long enough—50 years or so—by that time that they had some idea of what went on in a field, and the production in an individual oil field followed kind of a bell-shaped curve. As you pumped the field, you got more and more; and then when you reached the top, it became harder and harder to get the oil, and so it fell off as you went down the other side of the bell curve.

And so what he reasoned was, if I can make some estimate of how many oil fields there will be in the United States and I add up all those little oil fields, all those little bell curves, I'll get a big bell curve, and that will tell me when we're going to reach our maximum production in the United States.

Just about a year later, another speech was given. I don't know if these two gentlemen knew each other at all. But this other speech was given by the father of our nuclear submarine, Hyman Rickover. Hyman Rickover spoke to a group of physicians. The audience is irrelevant. He spoke to a group of physicians in St. Paul, Minnesota, and he said something that should have been self-evident, but obviously they weren't because nobody else was saying them and nobody has said them much since then.

What he said in this speech was that in the 8,000-year recorded history of man, the age of oil would be but a blip, and he referred to it as this "golden age." Here are a few quotes from that speech.

By the way, you can find it on the Internet. If you simply Google for Rickover and energy speech, it will come up. It was lost for a number of years, and a few years ago it was found and put on the Internet. And what he says here seems to be axiomatic.

"There is nothing man can do to rebuild exhausted fossil fuel reserves. They were created by solar energy," he says, "500 million years ago and took eons to grow to their present volume."

"In the face of the basic fact that fossil fuels are finite"—they will run out—"the exact length of time these reserves will last is important in only one respect: the longer they last, the more time do we have to invent ways of living off renewable or substitute energy sources and to adjust our economy to the vast changes which we can expect from such a shift."

Now, this would seem to be, as I said, axiomatic. Obviously, the Moon isn't