

economy and creating jobs. That's the biggest concern for most families across this country. People I talk to in southeast Louisiana, they're concerned about a sluggish economy, and, in many cases, it's some of the policies coming out of Washington that are creating all of these problems.

□ 1920

If you want to say, will tax increases solve any of these problems, first of all, let's go back and look at history. We've gone and combed through and there has never been a time in modern history where raising taxes got you to a balanced budget. Never. It's never happened. The last time that a Republican House has balanced a Federal budget was back in the year 2000. Not that long ago. It seems like a long time ago. Washington has balanced its budget. We were living within our means back then, and we weren't doing it through tax increases. It was done through controlled spending.

The last time a Democrat House has balanced a Federal budget was 1969. So maybe there aren't many people around here on the Democrat side that know how to balance a budget. But you don't do it by raising taxes. In fact, John F. Kennedy when he pushed through his economic plan that got growth going in the mid-1960s, it was through tax cuts. Go back and look at the quotes. Some of the best quotes against growth in government, against tax increases were made by John F. Kennedy when he pushed for a tax cut that ultimately was passed by President Johnson.

So where do you get economic growth? Go back and look at those years. In the 1960s when they cut taxes, there was tremendous economic growth. A lot of jobs were created. In the 1980s when Ronald Reagan cut taxes, there was tremendous economic growth, one of the greatest times in history. Ultimately, if you look at the deficits in those periods, it came because you had a Congress that didn't control spending even with more money.

And then you look at the Bush tax cuts, because that's what we're talking about here today: the expiration of the 2001 and 2003 tax rates. When those tax cuts were put in place in 2003, after that happened, within 3 years of tax cuts, the Federal Government took in 40 percent more money. Now, you wouldn't believe that if you listen to some of the mainstream media. You would think that cutting taxes takes money away from government and you need to raise taxes to bring in revenue. The opposite is true when you look at history. Forget about what politicians in Washington tell you who want to take more of your money to go and spend it on Big Government. When they cut taxes in 2003, within 3 years the Federal Government took in 40 percent more money.

Mrs. BLACKBURN. If the gentleman would yield, I think that is such an im-

portant point to make, that when you raise the rates, which is a regressive action as you look at tax policy, what you do is to drive down the revenues. If what the President says, Mr. Speaker, is that he wants more revenue, the way to get to more revenue is to clean up the Code, to actually lower your tax rates and to generate more economic activity and growth so that we can begin to grow and reshape our way out of this. You're never going to tax your way out of it. You can't spend your way out of it.

I want to invite the gentlelady from New York into this because she is a physician. She knows, with all the ObamaCare taxes, that you're not going to be able to deliver health care with escalating the taxes that are on the books pertaining to ObamaCare.

I yield to the gentlelady.

Ms. HAYWORTH. I thank the gentlelady from Tennessee for leading this session and our chairman of the RSC. Indeed, it's true: as of January 1, 2013, in fact, Congresswoman, there will be five new burdens, new tax burdens, on the American people related to the enormous cost of the Federal takeover of our health insurance and in certain respects of our health care.

For one thing—and this is really, really a sad thing—right now, families with special needs children can use pretax dollars. They can protect those dollars to spend them on care and even education for their special needs children in flexible savings accounts. As of January 1, 2013, one of the new tax burdens on those families and on every family that relies on a flexible savings account will be that they will be limited to \$2,500 per year. That's it.

Now, tuition at some of the schools for our special needs children run to many thousands of dollars a year, \$10,000 or more. It used to be that families could use those dollars for their special needs children. Now they won't be able to. Does that seem fair? It certainly doesn't to me.

Mrs. BLACKBURN. You said there are five taxes that go on January 1. If our colleagues want to look at this list of taxes, are they listed on your Web site?

Ms. HAYWORTH. We will post a link, because I'm not sure they are right, but we will post a link. Dividend taxes are going to go up on our seniors, on our fixed income families, on our savers. That's another burden, the new taxes that are going to be related to health care, and there are three others other than the flexible savings.

Mrs. BLACKBURN. As the gentlelady yields back, to the gentleman from Louisiana, I would think that the Republican Study Committee has this linked on their Web site so people can see the taxes that are already going to go up on them because of ObamaCare. We reiterate that what we want to do is lower the spending and get the fiscal house in order.

I yield to the gentleman from Louisiana.

Mr. SCALISE. I thank the gentlelady from Tennessee again for yielding and the gentlelady from New York for pointing those important facts out, because if you look at an important point that was just brought up, under ObamaCare, there were more than 20 different tax increases in ObamaCare, many of which, by the way, hit the middle class. Sure, in ObamaCare the President went after those rich people that he despises so much. He's happy to take their campaign cash during elections, but he went after them in ObamaCare with tax increases. But he also went after middle class families. This medical device tax that hits January 1 hits every single American that has medical procedures.

Mrs. BLACKBURN. To the gentleman from Louisiana, I hate to interrupt, but the Speaker is telling me that our time has expired. We have so much to cover. We were joined by the gentleman from Tennessee (Mr. DESJARLAIS) who's been on the phone. I regret that we are out of time. He has been doing a telephone town hall.

We have solutions. The fiscal house has to be brought into order. I thank my colleagues for joining me on the floor tonight to help make the point to the American people. We are going to stay with this fight and solve the problem. Our children and grandchildren deserve it.

I yield back the balance of my time.

INVESTING IN THE AMERICAN ECONOMY

The SPEAKER pro tempore. Under the Speaker's announced policy of January 5, 2011, the Chair recognizes the gentleman from New York (Mr. HIGGINS) for 30 minutes.

Mr. HIGGINS. Thank you, Mr. Speaker.

We hear a lot of the rhetoric on debt and deficit, and I think it requires a recent review of history.

Less than 12 years ago, the United States had a \$258 billion budgetary surplus, meaning that we were taking in \$258 billion more each year than we were spending. That budget surplus 12 years ago was a direct result of having created 22 million private sector jobs in the previous 8 years, underscoring the fact that the best tax policy is bringing back lost taxpayers to productivity, more people contributing to the Federal Treasury and less people dependent on governmental programs.

That \$258 billion budgetary surplus was used as justification to enact tax cuts in 2001 and in 2003. Those tax cuts disproportionately benefited the wealthy. The supply side theory, if you ascribe to it, says that if you give large tax cuts to the very wealthy, that money will find its way back into the economy in new business investment and job growth. Eight years later, we had the worst recession in the history of this Nation, and we had the worst job loss in 60 years.

This economy is not growing to the extent that it needs to in order to

produce employment. It's growing at about 1½ to 2 percent, which is not enough to sustain the current level of employment today, meaning that without additional growth in this economy, we will have increases in unemployment in this Nation.

So what do we need to do? We need to invest in the American economy. We need to nation-build, not in Iraq, not in Afghanistan but right here at home, in America. After the tragedy of September 11, 2001, we were chasing the losers of globalization, al Qaeda, bin Laden, two bad elements that had to be dealt with.

□ 1930

But we should have been also chasing the winners of globalization, those economies like China and India that were investing in their own economies and their own people to produce job growth. That's what's needed here.

Those who do all the complaining about spending around here are those who are responsible for all the spending. In fact, in fiscal year 2013, we will have a \$900 billion budget deficit attributable to the Bush tax cuts, \$137 billion for the cost of war, and \$354 billion in the lingering impact from the recession.

What we need to do is invest in America, in infrastructure, in scientific research and in education. It's a different world. We need to compete more effectively and do what other countries are doing. Why is it that Germany, a country that has one-fourth of the population of the United States, exports more than what the United States does? Because if you look at our Tax Code, it's broken and it needs reform. Industries in the United States that are employing Americans are given 2-year tax credits, and we expect those American companies to make generational commitments on a 2-year tax credit. Look at places like Germany. They're providing 10-year tax credits. That sends a signal, a signal of certainty and a signal of clarity to businesses in Germany that there is a commitment to embrace innovation and technology to remain competitive in the manufacturing economy.

Manufacturing today is not labor intensive. It's capital intensive. You always have to be in a continuous improvement mode. But that requires one thing. It requires a confidence in the American people, a confidence in the American worker in making the kind of commitments that are necessary to compete with China. I often hear people on this floor every day whining about China. Yeah, China cheats on their currency. They treat their workers poorly, and they destroy their environment. But the best response to China's growth is to stand up and compete with China and not whine about China.

Most American jobs are not outsourced to China. They're outsourced to the past because we failed to make the kinds of investments that are necessary to keep the economy growing.

So what's the answer to all of this? Every economist that you talk to, regardless of their political persuasion, will tell you that we have a growth problem. So how do you grow your economy? You invest in it. The New America Foundation, a centrist, prestigious think tank here in Washington, says that we should spend—that's right, we should spend—and invest \$1.2 trillion in a 5-year nation-building program right here in America. That nation-building program will create 27 million jobs over the next 5 years, adding 5.2 million in the first year alone—5.2 million jobs in the first year alone, or 433,000 jobs each month.

Can you imagine if in the spring of 2013 that we had jobs reports that were showing that we were adding 400,000 to 500,000 jobs each month? This economy would soar. Unemployment would be reduced in the first year alone to 6.2 percent and in the second year to 5.6 percent. This added growth in the economy would return \$592 billion to the Treasury in increased tax receipts.

So the \$1.2 trillion that you invest in rebuilding this Nation, that you invest in putting unemployed people back to work, returning veterans from Iraq and Afghanistan, will produce almost \$600 billion in economic growth while we're rebuilding the infrastructure of this Nation. And I will tell you, we need to rebuild the infrastructure of this Nation.

The American Society of Civil Engineers gives us a D rating for the quality of our infrastructure. The World Economic Forum says that we are 24th—24th—in structurally deficient infrastructure. In 2001, when we made all those investments in the American economy, we were number two in the quality of our infrastructure.

Transportation for America says that there are 63,000 structurally deficient bridges in this Nation. In New York State alone, there are over 2,000 bridges that are structurally deficient. In my hometown in western New York, there are over 99 bridges that are structurally deficient. Every second of every day, seven cars drive on a bridge carrying our families that is structurally deficient. This is pathetic.

The electricity grid in this Nation ranks 32nd in the world in reliability—an embarrassment. The United States Chamber of Commerce, which should be leading this effort, which should be leading this effort to invest in American infrastructure by investing in American businesses and investing in American workers, says that we lose because of the poor quality of our infrastructure—\$336 billion in lost growth over the next 5 years alone.

The United States Department of Transportation says that freight train bottlenecks cost our economy \$200 billion a year, or 1 percent of our economy. The Federal Aviation Administration says air traffic delays cost \$33 billion last year. We need to double spending on ports by the year 2020 or lose another \$270 billion in exports.

China—keep complaining about China. But do you know what? They spend about 9 percent of their economy on infrastructure, on roads and bridges, on doing nation-building right in their home. Europe spends 5 percent. The United States spends less than 3 percent of its economy on infrastructure improvements.

So the need is very clear. So is this Congress, is Washington responding to the need? Well, not really. Not really. Think about this for a moment: This Congress will spend \$105 billion next year on rebuilding the roads and bridges of this Nation, a nation of 300 million people, where every objective observer understands the need for infrastructure investment. So less than \$53 billion in each of the next 2 years. You can't spend any more, right? Well, wait a minute. You just spent \$89 billion rebuilding the roads and bridge of Afghanistan. You just spent \$67 billion rebuilding the roads and bridges of Iraq. Those nations are 30 million and 26 million respectively. Yet, for a nation of 300 million people, you could only come up with less than \$53 billion in each of the next few years?

When the American Society of Civil Engineers says just to bring your infrastructure to a state of good repair it will cost you \$2.2 trillion, it's weak. In fact, it's pathetically weak.

So, the lessons about economic growth are found in our recent history. And the lessons of austerity, unfortunately, are right in front of us. In 1937, when the American economy was coming out of the Great Depression, we showed signs of anemic growth, and as opposed to spending more to invest in that growth, the President and Congress pulled back in 1937, and what happened? The economy went back into recession again. In the 1990s in Japan, they tried extensive austerity measures only to put that economy into a recession for an entire decade. In Europe today and over the past 2 years, austerity measures have prolonged, not taken that area out of recession. In Greece—we often hear Members of this House who say the United States economy is going to be like Greece.

□ 1940

Oh, really? Greece is not growing. Greece has lost 25 percent of its economy in the past 5 years. Greece's economy shrunk by 7 percent this year alone. There is a 20 percent unemployment rate in Greece, and it's even higher for younger people. Greece doesn't make anything that the rest of the world wants. The American economy is dynamic, but the American economy always needs to be improving with education, scientific research, and infrastructure investment.

A rational political system would respond much differently than what is going on here in this Congress. We're talking about spending cuts and tax cuts to be extended that haven't produced economic growth. All the people that are talking about spending did all

the spending. They're the debt and deficit creators. If we want to experience economic growth, we have to invest in this economy. It is critically important to the future of this Nation.

Medical research. We need to enhance, not cut, funding to the National Institutes of Health and the National Cancer Institute. Thirty years ago if you were diagnosed with cancer, fewer than 50 percent of those who were diagnosed lived beyond 5 years of their diagnosis. Because of a robust commitment to cancer research in the 1990s, under a Democratic administration, the survival rate now beyond 5 years for adults is 60 percent and for kids it is 80 percent. You're investing into medical research, into scientific research to create the jobs of the 21st century. I know that for my community in Buffalo in western New York, that gave the Nation and the world cancer research, that gave the Nation and the world chemotherapy in 1904. Making those investments has created a dynamic new economy in downtown Buffalo, which used to be a manufacturing economy. It's called the Buffalo-Niagara Medical Campus. The Roswell Park Cancer Institute, the first comprehensive cancer institute in the entire Nation, is leading the job growth there with 12,000 new jobs and is projected to grow another 4,000 over the next 5 years because you had a Nation that had the confidence in our scientific community to make the kinds of investments that create a diversified and strong economy so that we're not outsourcing jobs to the past but investing to create jobs for the future.

Manufacturing in this Nation is not dead. It will die if you continue to simply whine about China. You need to make the investments in worker training, in new technology, in innovation to ensure that the workers that will require 20 years, that go four or five on one piece of machinery—now you've got one worker on four pieces of machinery. This is what you have to do in order to remain competitive in this world economy.

All the books have been written. In Fareed Zakaria's "The Post-American world," he doesn't argue that the American economy is slipping quickly or deeply. He calls it "the rise of the rest," that other economies are investing in their people and in their future. Tom Friedman and Mike Mandelbaum, who wrote the book "That Used to Be Us: How America Fell Behind the World it Invented," say that because of information technology, regardless of size, distance, and increasingly language, every country now can participate in a global platform to realize the great economic benefits of globalization. You can't compete in the new world, in the new economy without making investments in your people, your infrastructure, and the scientific research that's important.

China over the next couple of years will catch up to us in terms of the number of patents it produces. Patent

production is an indication of future economic growth. For the past 75 years, we've lead the world in the number of patents that we produced. China will overtake us. That is a direct result of not investing in your own people and in scientific research.

As I have said throughout this discussion tonight, there are many other areas that we can go into. The bottom line is this: all this talk about debt and deficit—12 years ago we had a budgetary surplus in this Nation of \$258 billion. Now we have record deficits. That surplus was created because we had the confidence to invest in the American people, to do nation-building right here at home.

A strong prosperous America is the best America in terms of our foreign policy, as well. We become the aspiration for the rest of the world when America is doing what it ought to be doing, when it doesn't fear its own people, when it seeks not to divide the Nation, but bring it together. Hubert Humphrey once said that the greatest foreign policy initiative of the Johnson administration was the Civil Rights Act. Although it was a domestic policy, what he was saying was that when America acknowledges its mistakes, when America lives up to its ideals, it becomes an inspiration for the rest of the world.

All of those areas of the economy that Tom Friedman writes about in "That Used to Be Us" and "The World is Flat," America used to lead. We don't any more. We cultivated great artists, but we also cultivated the greatest economy in the history of the world. People that couldn't demonstrate—Rostropovich couldn't conduct an orchestra in his motherland. He came to America because we are a free Nation that celebrates and embraces the arts, and at the same time produces economic growth and opportunity for generations of people.

Tonight, I challenge my colleagues in the United States Congress to stand up for America, to do nation-building right here at home by investing in our own people, not \$89 billion in rebuilding the roads and bridges of Afghanistan, but a trillion dollars to rebuild the roads and bridges of America; not \$67 billion to rebuild the roads and bridges of Iraq, but a trillion dollars to rebuild the roads and bridges of America.

Everybody here talks a great game about thanking our veterans for their service, but you know what the problem is? We have returning veterans from Iraq and Afghanistan who are experiencing an unemployment rate of 30 percent. If you want to say thank you on behalf of a grateful Nation, you create an economy that gives them an opportunity to realize their full potential as individuals.

□ 1950

Sixty-seven percent of the deaths of American soldiers in Afghanistan are attributed to improvised explosive de-

vices. Sixty-four percent of the deaths in Iraq are attributed to improvised explosive devices. Do you know how you defeat an IED? Don't be there. So we need to do nation-building right here at home. We need to grow this economy by investing in it in order to reduce debt and deficit and create employment and opportunity for future generations.

With that, I yield back the balance of my time.

IN THE CLOSING OF THE 112TH CONGRESS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 5, 2011, the Chair recognizes the gentleman from Illinois (Mr. DOLD) for 30 minutes.

Mr. DOLD. Thank you, Mr. Speaker. Mr. Speaker, this institution, the United States House of Representatives, enjoys a rich heritage that continues to inspire. Through these magnificent Halls and this great Chamber, celebrated American leaders have walked. Presidents have rallied a Nation, and monumental policy debates have echoed throughout the night to forge America's great history. This building right here is the fulfillment of what our Founding Fathers sought when skirmishes first broke out on the fields of Lexington and Concord nearly two-and-a-half centuries ago. It's what each succeeding generation of Americans has stepped forward to safeguard in its own way, and it is what we have been entrusted to build on and ultimately gift to our children. Here we are, working each and every day, to prove ourselves worthy of the country we inherited, the people we are here to represent, and the limitless future we hope to build.

Mr. Speaker, I decided to run for Congress just over 3½ years ago, the basement of my home serving as our team's first office. We didn't have much space or even a sign on the street, but we were all driven by the idea and firm belief that our country's best days are in front of us, that we can get our economy roaring again, that we can continue confidently as the best hope for leading the world. It has been quite a journey from that humble start to working here in the United States Capitol each and every day. But the great thing about America is that this story isn't so unique. Since our Nation's very inception, we have always been a place where what starts out as small gatherings of concerned citizens, of individuals getting together to discuss and plan how to make our country even better, can grow with hard work and dedication to actually achieve some of those very things.

I first ran for Congress, not because I wanted to be somebody, but because I wanted to do something. In fact, I wanted to do a great many "big" things. With so many millions of Americans struggling to find a job and economic security, I wanted to get this