

Mr. Speaker, I appreciate the time here tonight.

Mr. MOORE of Utah. Mr. Speaker, he makes one really important point and I highlight this quite a bit: We, as a Republican majority, have to so many times force President Biden to do very commonsense things and that is so important. His comments actually highlight that well.

Mr. Speaker, I thank you for the opportunity to share these messages. I thank my colleagues for being here to communicate such clear messages on such important aspects of legislation that we are going to be focused on this week.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. ALFORD). Members are reminded to refrain from engaging in personalities toward the President of the United States.

#### THE SYSTEMIC THREAT TO THIS REPUBLIC IS THE MATH

The SPEAKER pro tempore. Under the Speaker's announced policy of January 9, 2023, the Chair recognizes the gentleman from Arizona (Mr. SCHWEIKERT) for 30 minutes.

Mr. SCHWEIKERT. Mr. Speaker, as I am getting myself organized here, I am going to try something tonight as a variance of something I have done now for years. I am going to try to walk through some of the math, but please understand to anyone who is insane enough to watch this, particularly to staff here on Capitol Hill, I am trying to treat people like adults.

I am not spinning you. I am not going to give you the latest poll talking point. I am not going to give you magic math. This is a moment where we desperately need to understand the scale of the problems.

Mr. Speaker, let's also please understand that the people you see come behind the microphones here on the floor—and there are a lot of issues. There are a lot of problems—but I will argue, though, the systemic threat to this republic is the math.

First off, for anyone who actually doesn't have a life, I strongly encourage you to go to our office's website—I think it is Rep David—and sign up for text messages. We call it the daily debt update. Every single day, 5 days a week, you will get a text message from me that says what we borrowed today per minute and the interest costs. I break it out per year. Then I also say what we borrowed so far this fiscal year.

We give you 364-day clock, so we get rid of timing effects. Then I am going to show you what we have taken in, or what we call receipts. Some people call them tax revenues. That is wrong, technically. Government doesn't have revenues; we have tax receipts. We now have several hundred people who have signed up for this.

The point is, if you got yesterday's text message, you would see we are borrowing about \$78,000 a second.

Now, try to explain to me there is not something horribly wrong. One of the points I am going to try to make here off these charts is the scale.

Now, my brothers and sisters on the left basically turn to us and say, just tax rich people more. That will take care of it. They want to tax rich people more. They can read. It is their own economists who do these reports saying that that actually doesn't get you anywhere close to reality to deal with the gap, and I am going to show you their own numbers.

Now, I need to throw some of my own side under the bus. A lot of my brothers and sisters here on the Republican side, we are going to say if you would just cut this portion of discretionary spending, that would make a big difference. No, it wouldn't.

We were playing with some math—and it is not done yet because I haven't vetted it—that almost everything we have been debating here for the last 3 or 4 months, at the end of 10 years, it would basically be a rounding error. You would have trouble even seeing it.

We were playing with one bit of math that in 10 years, we are functionally scheduled with these new interest rates, borrowing about \$3.1 trillion in a single year and if all of our cuts actually happen, it might actually not be 3.1, it might just be 3.

It is real money. I think we should still do it, but stop pretending that it is saving the Republic.

Let's start from the beginning. Let me get my charts organized. This is important, and I am going to keep doing it till I start hearing fellow Members say this out-loud repeatedly.

Let's ignore 1965, but do you see this here? This is last year's fiscal year—23 percent was on autopilot, mandatory, earned benefits. You turn 65, you have worked your 40 quarters, you get Social Security. You get Medicare. You might be part of a certain Tribal group that might be a contractual part of a treaty obligation. There are certain benefits you get out there that aren't earned if you fall under a certain income, but they are part of mandatory.

We as Members of Congress don't get to vote on it. That is on autopilot purposely. It was the intention of the left to put it on autopilot so it just happens.

Do you see the green? That is what you call nondefense discretionary. That is what you all think of as government. That is the FBI. That is the State Department. That is our salaries. That is the Supreme Court. That is everything.

The blue, 13 percent of the budget is Defense. The punchline you need to understand is last year every dime of non-defense, that green part, was borrowed. Every dime of the blue part was borrowed. Plus, about \$400 billion of the red part was borrowed. Every dime a Member of Congress votes on is borrowed money, plus a chunk of mandatory.

If you said I am going to balance the budget, God bless you. First, you got to

shut down all the Defense system. Defense Department is gone. You have to get rid of all of government and you have to figure out what \$400 billion you have to remove from Medicare. That is the math. The math will win. The math is the truth, and we make crap up around here. You got to understand the scale.

If someone tells you that we are not taxing rich people enough or someone will tell you it is foreign aid and waste and fraud. Fine. Then go after waste and fraud. We should be vicious on it, but don't pretend that it does anything. I think we did a calculation last year and foreign aid was like 7, 8, 9 days of borrowing.

Remember, we are borrowing \$6½ billion a day. That is several times more than most of what we have been debating here for months. I know it is great theater, but the math is the math.

The point I am going to try to make in this presentation, if anyone is listening, is the left saying just tax rich people more, doesn't get you there. For my brothers and sisters—I am one of them—who want to reduce spending because government is too big—also doesn't get you there anymore.

You are going to have to deal with policy. You are going to have to deal with policy ideas that make healthcare less expensive. You are going to have to deal with policy that makes it so it is something you want to stay in the labor force. You have to do things that not only reduce the cost of surviving in our society, but also make this economy grow, and those are policy. One thing we are almost incapable of doing here because it is complex and the armies of lobbyists in the hallways get upset because they don't want us messing with their current business model. Same thing with the bureaucracies. The bureaucracies here go to war with us when we say you could use technology to do that.

Let's actually walk through last year's budget. This is real. Seven weeks ago, we closed the books on the 2023 fiscal year. We spent \$6.371 trillion. Tax receipts were only \$4.436 trillion.

Does anyone see a math problem?

This is why it is important to understand those numbers.

That means we borrowed 8.4 percent of the entire economy was borrowed just last year—8.4 percent of GDP was borrowed last year.

In a couple slides here, I am going to show you that taxing the rich, the Democrat proposals when you actually adjust for its economic effects, you might get 1½, maybe 1.6, 1.7 percent of GDP, but you borrowed 8.4 percent of GDP last year.

I know that sounds geeky, but the reason you often speak in percentage of GDP instead of dollar amount is because of the amount of inflation we have had.

Remember, if you live in my area, I think I have the highest inflation in the continental United States. In the last 30 months if you are not making 22

percent more, you are poorer in the Phoenix-Scottsdale area. You want to know why the working middle class and the working poor are so cranky, because it is brutal out there for them.

The economy is actually okay. We are seeing some uncomfortable signs of really slowing down, which worries me. If you get my daily debt update, you are going to see something is wrong on tax receipts. The FICA numbers are falling, and it looks like they are about 5 percent where they should be which should be an alarm bell that something is happening in the labor markets, but if you are from the Phoenix-Scottsdale area and you haven't had about a 22 percent pay hike in the last 30 months, you are poorer today. Then you wonder why there is such stress out there in our society.

If I came to you right now and said what is the number one spend in the United States Government? It is Social Security. This year we are going to spend about I think—well, I have it on the chart—\$1.450 trillion will go out in Social Security this year.

The punchline on this slide is, I want you to understand gross interest. That is interest we paid to people that bought U.S. bonds. It is also the interest, when the Treasury borrows money out of Social Security, we pay it interest. Interest will be over \$1 trillion this year.

Interest in the United States this year is the second biggest spend. The third biggest spend is not Defense, it is actually Medicare now. The growth rate of Medicare and interest are the primary drivers of future spending.

Then we will talk about how many people lie about what is happening in Social Security, but we will get to that.

Defense is now the fourth. Defense is now number four. Every time you run into a leftist that goes just cut defense, could you remind them it is actually number four now on the hierarchy of spending.

If I had shown you this chart a couple years ago, you would have thought I was out of my mind. It has happened. Gross interest this year will top \$1 trillion and the net interest, which just means to outside bond holders, now is well over \$800 billion.

□ 1715

You do realize that just the net interest, if you just want to play the game and say, well, I am not going to count interest we pay to borrow from our trust funds, the net interest is going to be more than defense.

Why is this not our fixation? Why are there people who are terrified of a debt and deficit commission to actually tell the truth about the math?

When I come to you and start saying \$1 trillion is just interest, understand why that is so dangerous. This week, interest rates are down a bit. Three weeks ago, they were up. Our best guess is that this year looks like we are going to bring about \$9.6 trillion to the bond market.

This is going to be not borrowing internally. This is going to be issuing bonds out to whoever will buy them. We guess about \$2 trillion will be virgin. We have excess spent this year, so we are going to have to issue \$2 trillion of bonds to cover our excess spending. The rest of it is refinancing because the idiots—excuse me, that is not fair.

There is a video of me, going all the way back to Secretary Lew, screaming: Interest rates are low. Go longer on the curve. Go longer on the curve. Sell 30-year bonds. Get us out on the curve. Lock in the low-interest rates.

The arrogance of the Treasury: No, you don't know. You are a Member of Congress. You are an idiot. What do you know?

Now, we are going to pay the price for it. We are getting our heads kicked in because of the short-term thinking that is Washington, D.C.

What you see here in blue, that is refinancing. That is all the 30-day paper, the notes, the bonds, much of which is coming due.

You are going to bring \$9.6 trillion to market at interest rates that are how many times higher than we would have financed 1 to 2 years ago? Welcome to our world. That is why this math is having such trouble.

I just want to make a point. I will get behind these microphones and sometimes when there is a chance to do a colloquy with one of my Democrat colleagues, they will say, "Well, you supported that 2017 tax reform, and it was going to cost \$1.7 trillion." Then, we start to talk through that. "But tax receipts went up dramatically in 2018, 2019, first quarter of 2020. Income inequality shrank at its fastest in U.S. history."

It was in many ways the ultimate Goldilocks economy before the pandemic. We were having to rescore, rescore.

Then, you will get, "But you were going to spend \$1.7 trillion. That is what you voted on whether or not more tax receipts came in." Okay, fine. In the first 2 years they ran around here, in the first 20 months, they voted for \$4.8 trillion of additional spending. Let's see, end of 2017, we did tax reform that grew the economy and made the United States competitive in the world. We shrank income inequality and had some of the greatest growth in income and wages without inflation. The tax receipts and revenues were coming in dramatically overprojected before the pandemic.

Step up and be intellectually honest. In 20 months, they spent \$4.8 trillion of spending, and we are already finding it is rolling over already. Take a look at the tax receipts from the Treasury over the last couple of quarters. Even when you make the adjustments for the California declaration of emergency, there is something going wrong. This type of stimulus is not working. Keynesian economics is not working, for anyone who pays attention to that stuff.

Let's go back once again to interest rate fragility. In 2022, interest was \$475

billion. In 2023, interest was \$569 billion. Remember, this projection was only from a couple of months ago. We were going to spend \$805 billion. Now, it is almost \$840 billion. If you do gross interest, it is over a trillion.

If you see this chart, interest went up 38 percent last year in cost. I haven't done the math, but with the scale of the refinance, we think it is going to be up another 30, 40 percent in spend this year.

Aren't you thrilled? This is the brain trust here. Our growth and spending is going to be healthcare costs and then interest. That is going to really help the economy.

Once again, just to reinforce it, because I am finding if I don't say it over and over, there is almost this pathological avoidance of math and the truth around this place: Social Security, number one; interest, number two; Medicare, number three; defense, number four. I can't wait to see how many of our fellow Members and staff can repeat this.

For a bit of the punchlines, my brothers and sisters on the left keep saying the solution to everything is we are going to tax people over \$400,000. Let's pretend we all agree that is what we are going to do, that is how we are going to save Social Security. Remember, when you have a Member—and there are a couple of clowns around here holding up little whiteboards and doing these things saying Social Security doesn't add a dime to the debt and deficit. They are absolutely right that it doesn't—yet.

I think it was some of the folks who are involved in AARP and those things who wrote letters to the editor over the last month saying to not blame Social Security for the debt. They are absolutely right. They are telling the truth, and I hope that is intellectually where they are at, that no money from Social Security should ever go into the general fund, but no general fund money should ever go into Social Security. Is that our deal?

In 9 years, 2033—so that is like 8.5 fiscal years—there is a 25 percent cut in Social Security checks. If you are the average couple in America, \$17,400 is going to be your cut. We will double senior poverty. That is the moral imperative we are being given by the left. You can't talk about Social Security. When they do put something on paper, it doesn't come close to closing the gap.

We are doing some scoring on a couple of the Social Security bills. I was going to bring the charts, but we are not done with the math yet. We think it might close 50 percent, 60 percent. However, the punchline is, you have to understand, if we do that, there is no more capacity.

There is this concept if, let's say, you are a high-income earner and have done really well in life and are making over \$400,000 a year, today, if you live in Connecticut, New York, or California, you are probably already paying

at a 50 percent tax rate. If Congress adds another 12.4 percent, which would be just Social Security on that, now you are at 62 percent.

There is actually lots of great economic data that say if we take it beyond that, your incentive, you are going to say: "Screw it. I am not working. I am going to cut back my hours. I am going to find other ways. I am just going to live off my savings, my investments."

If you do just pieces of these legislations, they actually take that \$400,000 population and push them into the mid-60 percent of their income. Maybe that is the Democrats' plan, but they need to look at their own economic literature written by their own leftist economists that basically say when you get into that low, mid-60 percent tax rate, the revenues go down. It is called a tax maximization concept.

There is a good paper out there if anyone wants to read it. It is probably about 3 months old. Brian Riedl, Manhattan Institute, basically took a series of economic papers and said, what is the highest capital gains tax you can do before it rolls over, the highest estate tax you can do before it rolls over, the highest income tax?

It is a nice paper. It is a little long, but it is a really simple read. They add it up, saying take people over \$400,000 and maximize every single one of their taxes. Let's do it. When you worked up all the numbers—go read it for yourself—and then do the economic effects because you will change the economy, you are going to get maybe 1.5 percent, maybe 1.6 percent of GDP.

It is from the U.S. Treasury, the Tax Policy Center, OMB, CBO. I mean, this isn't rightwing Republican math.

Does anyone remember what we borrowed last year? 8.4 percent of GDP was borrowed last year. Tax maximization on over \$400,000, let's say you get 1½ because that makes the math easy. Does anyone see the math problem?

Social Security and Medicare, when you start to look at it over the next decade and a half, go out to 2040, the best projection is it is running about 5½ percent of GDP short of cash. Does anyone see the math problem? You get 1½ percent by taxing rich people. Fine. However, just the shortfall in Social Security and Medicare is over 5½ percent of the economy.

Come on, guys, stop lying. Stop making crap up. I know it is great politics. It is great wedges, but at some point, we have a moral obligation not to have the doubling of senior poverty. How many baby boomers are you willing to put on the street by making crap up on the math?

For our own side, I know every time we mention Social Security, I will get ads beating me up at home. Go online in the Phoenix market right now, and there is probably already an ad up saying: Schweikert talked about Social Security. Beat him up.

I am trying to save it. Chart after chart, the reality of the math.

Take a look at BERNIE SANDERS' oligarch tax, which is taxing unearned capital gains, taxing the wealth. It graduates up so that if you are really rich, they take a big portion of your wealth. With everything, it gets you up to a little less than \$4 trillion over 10 years. Great, except the shortfall is like \$18 trillion, \$19 trillion in that time.

Great talking points. It gets you on MSNBC. You can say crazy things. No one is going to audit your math. Does anyone actually care about what is going on, or is it more important to win the next election?

We go back and forth over and over. Taxing the rich wouldn't pay for the deficit in 2033. We have done the tax maximization, and this slide is actually already out of date. We went back several months ago. The projection was that we were going to be borrowing about \$2.5 trillion in the 2033 year. Now, we think it is \$3.1 trillion, and most of that change is just interest.

If you tax the rich, as proposed by the President, it doesn't even get you \$500 billion when you do the economic effects. If you are someone on the left side and your answer to everything is just tax the rich, grow up.

I mean, it makes it really hard to say, "Don't you care about the elderly? Don't you care about these programs? Don't you care?" If you care, pay attention to the actual math.

Understand, just Social Security spending, this was earned. We owe this. We have no idea how we are going to cover the shortfall because even 2100 and some of the other bills will raise a bunch of taxes. They still don't cover the shortfall, and you have taken away all the optionality that was going to be—that tax hike was going to be used to cover the shortfall of Medicare. It was going to cover the shortfall of everything else in government.

At some point, you have hit the wall, and understand, Social Security last year went up 11 percent. Our model right now says it goes up slightly under 9 percent this year. When you start seeing double digits—9s, 7s, 8s—on a program that this year will be \$1.45 trillion, you start talking real money, and you have a math problem.

This is the slide that gets the most angry calls to my office, so let's do it because it happens to be accurate. As a matter of fact, it is already out of date, but this is the last official update. From today through the next 30 years, Medicare and Social Security are pretty much 100 percent of all borrowing. The last update was about \$116 trillion in borrowing. If you add in today's interest rates, our numbers come up closer to \$130 trillion. If you add in today's interest, our number is getting closer to \$130 trillion of borrowing.

□ 1730

The discretionary part of the budget, because of its slower growth than tax receipts, is estimated to have almost \$2 trillion to the positive over those 30 years.

Medicare is \$80.5 trillion when you add in the interest; cash shortfall. Social Security over the next 30 years is \$35.8 trillion short.

Shouldn't we fix these?

Don't we have a moral obligation to keep our promises?

Is the scam here—and, Mr. Speaker, this is the point of this floor time. I am trying to figure out a way to say, here is your policy split. The left wants tax hikes. The right—and I am one of them—wants spending cuts. You can maximize both of those, and it doesn't get you close.

You have to do policy. Policy is hard. Policy requires thinking. Policy requires saying "no" to people that might contribute to you. Policy says, I need you to actually read something. There are things you can do.

Mr. Speaker, may I inquire as to how much time is remaining.

The SPEAKER pro tempore (Mr. PFLUGER). The gentleman from Arizona has 2 minutes remaining.

Mr. SCHWEIKERT. Mr. Speaker, I will talk faster and not do all the boards.

I have come to this mike how many times over the last few years and done things, saying, let's talk about the policy revolution.

Cures are part of the solution: Cure disease, change technology, adopt things. If healthcare and interest are our fragilities, then do things to bend that cost of healthcare.

I have come here and shown things where you could use technology to functionally, dramatically disrupt the cost of healthcare.

We have come here and talked about things like this where you can blow into it. It is a breath biopsy. It is like having a medical lab home in your cabinet.

Yes, we make things like that illegal because this place often is a protection racket. It is a protection racket for incumbent bureaucracies and business models.

If we could disrupt the cost of so many things in our society, whether it be healthcare, whether it be the way we do regulation, you could actually set off GDP growth. You could lower the cost drivers of this government.

By doing that, you lower the cost of the financing. You tell the bond markets how serious we are. Maybe they give us some love and credit on our interest rates.

There is a path where this can work. You just need Members of Congress to deal with the reality. Tell the truth about the math.

Mr. Speaker, I yield back the balance of my time.

#### ADJOURNMENT

Mr. SCHWEIKERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 33 minutes p.m.), under its previous order, the House adjourned until tomorrow,