

for generation after generation to help as a world leader without compromising the commitment and the dedication that we have to the people of our great Nation.

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

### ECONOMIC FORECAST

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, when I first got here, there was sort of a joke that there were two ways to get in trouble around here. One was to say something stupid, and one was to tell everyone the truth they don't want to hear. I am going to see if I can get myself in trouble tonight.

I have come behind this microphone repeatedly over the last few years trying to do the math. If you are one of the people around this campus, because we are probably right now on a thousand televisions around this campus, and you care about the math, please give me a little bit of your time.

I have never done a set of presentations that has made my stomach turn more than this. We have spent the last couple of weeks with my Joint Economic Committee economists. I am blessed to be on the Ways and Means Committee. I chair the Oversight Subcommittee. I also am the senior Republican on the Joint Economic Committee, meaning I have some freaky smart people who work for me, and we have been trying to figure out what the math looks like for this Nation a decade from now.

Remember, we have lots of people who ran this last election cycle saying we are going to balance the budget in 10 years. Wonderful. Do you understand the math?

We sat down and broke apart every document we could find, every projection from CBO, and I care a lot about this. I accept that I am an older dad. My wife and I spent years trying to adopt. We were able to adopt an amazing little girl. She is 7, and we are in the process of finishing up adopting her brother, who is 7 months old.

So, my wife and I are 60 years old, and we have a 7-month-old. We are pathologically optimistic about this country, but please look at the math I am about to show you and then tell me what you are willing to advocate to save my little boy's and my daughter's future, your kids' future, your own retirement.

CBO baseline, Congressional Budget Office baseline, if we just keep doing what we are doing and there is no recession, no war, no more pandemic, in 2034, that is 10 budget cycles from right now, the baseline number is we will be borrowing \$2.6 trillion that single year. It gets worse from there because the next year, the Social Security trust fund is gone.

We always made the assumption that when it blows up, you are not going to double senior poverty in this country. This is not a non sequitur. I was just so angry at the President's speech last night on the comments about promising him we are not going to cut Social Security or Medicare. We are not going to cut Social Security and Medicare, but are you promising you are going to work with us to save it?

Where was the discussion saying all the data says that, in 10 years, the trust fund is gone, and there is a 23 percent cut out there? I am going to show you at the end of this slide deck that the pandering from my brothers and sisters on the left just raises the taxes. It doesn't fix the problem. It doesn't even come close.

Instead of having a moral discussion from this podium over here saying we are going to not let doubling of senior poverty happen in this country, that we are going to work together—it was used for a campaign kickoff.

This number here is the baseline. For all of us running around saying we are going to balance it in 10 years, great. You have a structural \$2.6 trillion in 2034. That is 10 budget years from now. Where are you going to get it?

Let's walk through the math even more. To understand where we are at in the fragility, let's say, over the next 10 years, there is 1 percent more interest on what CBO was projecting last year. What would 1 percent do to us? It basically means on that 2034, that 10-year budget from now, you are sitting at a \$3.1 trillion structural deficit. That is every year. That is the baseline deficit with just 1 point change in interest rates.

You are going to balance in 10 years. I want to balance in 10 years. Find me \$3.1 trillion that will be gone in 10 years. Do you understand how bad the math is?

We are going to talk about the shiny objects around here. There is a balloon. The balloon is a problem. There is this; it is a problem.

This is what will take down the Republic, and it is hard to talk about. It is math, and I don't know how to make math necessarily interesting, but it always wins.

We produced this chart, and I know this one is geeky. We basically took all the CBO projections and partially stole this from others. Our economic team can't take all the credit for it.

What it is basically telling you is that most of the projections, almost all the projections, from CBO have been far too optimistic. When I am showing you numbers, I am basing them on the CBO numbers, and by the way, historically, they have been far too optimistic.

Do you get the punch line?

□ 1900

Now, the only other caveat I need to give you on the math is, because it is going to take 10 days or so to calculate it, we haven't done the interest adjust-

ment. So I am going to show you in some of these what happens if we get rid of this portion of discretionary, get rid of all the discretionary, get rid of defense, and did this, you have interest savings. I have not done that calculation yet.

There is a whole other concept I talked about here that if we could convince the debt markets here and around the world that buy all this U.S. sovereign debt that we might get lower interest rates because they realize we are starting to be serious about what the future looks like and that we are really serious that we are going to have the capacity to manage our future debt and that we are going to suppress it and over time the growth.

Remember, there are two sides to this ledger. We need to find a way to grow like crazy, and we are going to have to discuss things that are uncomfortable. We are going to have to discuss how to fix the immigration system, how to fix the cost of healthcare, how to do a tax system that is all about growth, a trade system that is about growth, and blowing up the bureaucracy in this country using technology. Much of the regulatory state could be done through technology instead of armies of unionized employees. But we need to almost just be fixated on economic growth. Then we have to tell the truth about our demographics and what drives this debt.

So, Mr. Speaker, remember my two things, my two caveats here. It is still going to take me a couple of weeks to do all the interest calculations, but these numbers are pretty darn accurate.

So let's sort of walk through it. Let's do some of the budget discussions we are all having.

What would happen if I came to you tomorrow, Mr. Speaker, and said: Hey, right now we are doing the 2024 budget, but we adopted the 2021 baseline. So this means for all discretionary spending, the FBI, the Park Service, and the Defense Department—everything that is government, other than the earned entitlements, the entitlements, and the mandatory spending—we adopt a 2021 baseline, and we go from there and held constant—constant—the 2021 level.

That basically means no inflation.

So, Mr. Speaker, if you had two to three percent inflation, then at the end of a decade the purchasing power of that is 25, 28, 30 percent less.

But if you held a constant, Mr. Speaker, there is no growth, you adopt a 2021 budget in this 2024 we are building on right now and saying that we are holding the discretionary, no defense increased spending, nothing, in 10 budget years you still have \$1.9 trillion of borrowing.

How many Members understand how ugly this is?

Mr. Speaker, I will get people who will start emailing, texting me, and calling into our website: I don't like what he says.

It is math. If you don't believe me, then go online. All of the congressional

CBO reports are there, the OMB reports are there, and the Social Security actuarial report is there. That one is a little harder to read, but the CBO just did one a few days ago that is a really easy read.

But, Mr. Speaker, you don't get to just look at the executive summary. You have to read the whole damn thing, not just the executive summary. Take out your highlighter, go through it, and then tell me what your ideas are.

I came here from the last couple of weeks and said: Let's walk through some of the suggestions.

Hey, we will get rid of all foreign aid.

This coming year it takes care of a couple of weeks of borrowing.

Get rid of congressional salaries.

That took care of 28 minutes of borrowing for a whole year.

The numbers actually get worse.

So let's have a little fun here. So let's say that instead of using the 2021 baseline budget for discretionary—that is defense and that is everything that is not a mandatory spend—so we are only going to use 2019, and we are not going to let it grow a dime. So every year due to inflation that purchasing power goes down. But we are not going to do it. We are going to hold defense, so the purchasing power of defense a decade from now is 28 to 30 percent less because of inflation.

Mr. Speaker, you still have a \$1.6 trillion borrow 10 years from now.

How many Members are ready to vote for that because you promised, oh, we are going to balance in 10 years?

But it is the math. I am going to say it over and over, Mr. Speaker. Unless you have a revolution in the costs of healthcare, we won't do it by cutting. We do it by cures, by innovation, and by competition. We have got to have a revolution, and then we will have that type of competition and disruption all through government. Unless there is a revolution in growth, then this is our future. This is my children's future.

So let's go to the flip side.

How bad is the number really?

So 10 budget years from now, which is 2034, no discretionary. No discretionary spending on defense. We basically say, hey, we trust everyone. We cuddle everyone in the world. We are all buddies.

Mr. Speaker, we just wiped out the Defense Department. We still have almost \$1 trillion of borrowing in the 2034 budget.

So let's do the opposite. If you actually look at the numbers where you had no discretionary at all, Mr. Speaker, no discretionary, government as you know it is gone. There is no defense, so all the constitutional obligations we have to provide for are just gone. We walk away from the Constitution.

Now, my caveat again is that we still haven't done the interest savings calculation on the savings and would the bond markets treat us more kindly because we are taking debt more seri-

ously because they will know we will have plenty of money to pay our obligations, but if you just do the straight-line number a decade from now you are still borrowing \$300 billion.

That is how big the mandatory spending is.

Understand that most of the debt, three-quarters of it, comes from the growth in Medicare.

We had President Biden in that podium last night, did he talk about the morality of us keeping our promises and the fact we are going to have to work together and do really hard things to make this economy grow and to actually add competitions in these things so we crash the price because we are going to keep our promises?

Instead, it almost sounded like pandering for the next election.

Does this place have a soul?

You start to look at the reality of different scenarios. So, once again, Mr. Speaker, what we just did, CBO baseline, \$2.6 trillion of borrowing in 10 years. If we have discretionary, we used the 2019 discretionary and just held it. No growth. No growth. You are still borrowing \$1.6 trillion in 10 years.

If you come and say, oh, let's use the 2021 budget, and we will just take that discretionary budget on defense and everything else and we freeze it, then we are still borrowing \$1.9 trillion in 10 years.

How about we do this: there is no defense. We are still borrowing 0.9, so almost \$1 trillion.

What if we had no defense so we do this and say, we will pay for defense, but we will get rid of all of the rest of government? Then we are still borrowing \$1.4 trillion in 10 years.

Mr. Speaker, if you get rid of all discretionary, with my caveat we haven't done the interest calculations, all the interest savings calculations, but if you do it in a straight line, we are still borrowing \$300 billion.

I have come here dozens and dozens of different times and have shown the little pie charts saying: Understand that 71 percent of all spending was mandatory, and much of these are earned benefits, da, da, da, da, and look at the shrinking part that is discretionary.

Maybe doing it in reverse is how people will understand.

If you are heading toward retirement, Mr. Speaker, do you understand what this means to you?

If you are crazy like I am, Mr. Speaker—and I have a 7-month-old—this is the moral question of our time.

Instead, how many speeches were given behind any of these microphones today giving a damn about the country's future?

Yes, but we were looking for a good political edge that will look good on my next campaign thing.

To the people who keep trolling our attempts to find a way to save the Social Security Trust Fund, so we don't have Grandma having to have a 23 percent cut in 10 years, I have one that

keeps—maybe it is a bot—sending in things to our office saying: Just increase the taxes.

So take all income and make it subject to the Social Security tax.

Okay, fine. Guess what, Mr. Speaker?

We found it in the Social Security actuarial report. Go read the damn thing. If we take every dime of income in the country and do the original Social Security formula, so I am taking 90 percent of all income—and what is it? Forgive me. I am going to get this wrong. Last year it was \$142,000 was subject to the Social Security 12.4 percent, and I know that is going up and it is taking a good pop because of inflation. But if we basically take every dime—every dime—of earnings, if you make \$1 million a year, every dime of your earnings is subject to the 12.4 percent Social Security tax, then I only cover 31 percent of the shortfall.

For my brothers and sisters on the left, read the actuarial reports, not the political highlight talking points. If we are going to save it, then you have to actually buy a calculator, put batteries in it, and start sitting down with people like me who are passionate about protecting seniors. We are going to protect our promise, but I can't do it without you.

I have a divided government here. I have a President who got up there and said things that were mathematically absurd.

The family motto is: The Math Will Always Win.

And it always does.

Mr. Speaker, may I ask how much time I have remaining?

The SPEAKER pro tempore. The gentleman from Arizona has 12 minutes remaining.

Mr. SCHWEIKERT. Mr. Speaker, I have done this chart. There is an update on this chart coming in a couple of weeks, and I am told it is going to look substantially uglier. But this is the reality.

Remember, this chart was built 2 years ago. Every dime of the \$114 trillion of borrowing in today's dollars that we expect to have 30 years from now, 75 percent of it is functionally Medicare, 25 percent is if we actually reach into the general fund and backfill the collapse of the Social Security Trust Fund which happens in 10 years, oh, and the rest of the budget is actually calculated to be about \$1.9 positive.

We got old. I am a baby boomer. I am a crazy baby boomer. I have a 7-month-old. He is the greatest little boy you ever met, Mr. Speaker. I wanted to bring a big picture of him. He is so cute. I will do whatever is necessary to protect my kids.

This is the truth: unless this is part of every conversation around here we are not telling the truth because this is going to drive every discussion on policy.

I want to spend more on defense.

Have you figured out this?

I want to spend more on the environment.

Have you figured out this?

I want to help other countries.

Have you figured out this?

Mr. Speaker, unless you are willing to work on the reality of here is what is about to happen to us because these are our demographics, are you going to adopt policies from immigration to the Tax Code to technology, everything that grows like crazy in this Nation and then are you going to take on the cartels that cost us so much money?

Are you going to actually build a world where we crash the price of healthcare because we use technology and we cured diseases?

Some of that maybe you tell him that we don't have a choice.

For everyone else who says: I just want my money back, if you are someone out there who will say to Social Security and Medicare: Just give me my money back, then we will take that deal in a second.

Now, people forget Social Security is progressive. If you are a lower-income worker and you work your 40 quarters, then you get actually quite a spiff on the taxes you paid.

If you are a higher-income worker on Social Security and you had your 40 quarters, then you actually get less than what you actually paid in.

If you do the mean of the average couple on Social Security, you will have paid in about \$625,000 in taxes over your 40 quarters, and you are going to get back \$698,000.

Mr. Speaker, you would have made a hell of a lot more money if you had been allowed to take a portion of that and put it in the markets. President Bush tried doing that. He got the crap kicked out of him by the left.

So fine. You are poorer today, but for the average American you get your money back. You get a little spiff on Social Security.

The primary driver of those debt numbers is this right here. That average couple would have put \$161,000 over that lifetime of work into Medicare.

Understand, the Medicare taxes you pay, Mr. Speaker, the Medicare Trust Fund is the part A. Three-quarters of Medicare actually comes right out of the general fund. We expect that number to go up fairly dramatically in the next set of calculations. It is this gap right here that is the primary driver of U.S. sovereign debt.

Mr. Speaker, at some point here we find out that just telling the truth actually gets you in trouble because I can tell you, my brothers and sisters here are really smart. They are truly experts in different things. And I swear they run away from me in the hallway when they see me carrying my charts saying, DAVID, I don't want to know, because if I tell my constituents that, then they get mad at me for telling them the truth.

□ 1915

Every day we wait, these numbers get worse; and yet, at the State of the Union they were saying, oh, everything

is fine, we are doing great. At one level, that is immoral because this is coming. Remember, 10 years from now is not long. These are lifetime charts. It is fixable.

For people to say, well, just get rid of all that other stuff of mandatory spending except for my earned benefits. Okay, maybe we should. But the chart, this is Social Security, this is the other mandatory, this is mostly healthcare, parts of this is actually Medicaid.

You start looking at, this is nutrition support, EITC, Social Security supplemental income, but you start to see everything else that is in mandatory is pretty darn small. Now, it doesn't mean some of these shouldn't be looked at and reformed or be put back on budget, but you see, it is these two programs. It is Social Security and healthcare that are almost everything.

I am absolutely committed. I am going to keep my promises. I am going to have this country keep its promises; but the only way we will do that is this body, this campus, every smart staffer around here, every lobbyist who walks in our doors who has a soul, bathe in the math. Let's get creative, let's promote economic growth in every lever we can. Let's legalize technology, let's legalize disruption and disrupt the price of delivering healthcare. It can be done.

Dear God, I have a 7-month-old. Doesn't he deserve a future?

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

#### AMERICA NEEDS SOLUTIONS

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

Mr. ROY. Mr. Speaker, I appreciate the gentleman from Arizona being down here talking about the trajectory this Nation finds itself on with respect to all spending, but in particular mandatory spending as we call it, and the need for all of us to get serious about doing something about it.

We sat here in this Chamber last night. The President of the United States did what you do in a campaign speech, not in the State of the Union. He did what you do when you have a failed agenda and you want to try to scare the American people rather than inspire the American people: Accuse your opponents of being against Social Security and Medicare with no real backing, but offering no solutions himself to the very problems articulated by the gentleman from Arizona.

Did anybody hear the President of the United States last night address at all the reality that Social Security and Medicare are on a path to bankruptcy in terms of their funding relative to the demands to pay benefits? Of course not. Of course not. Because the President of the United States, Joe Biden, has zero solutions to the problems facing this country. Not one.

Not one solution last night was offered. Standing at the well where the Speaker currently sits, not one solution was offered. Instead, it was a campaign speech.

The fact is, the American people, I think, saw through it because in the same speech that the President attacked Republicans for not having a solution for Social Security and Medicare, accusing Republicans of saying we were going to walk away from the obligations for Social Security and Medicare, the President offered no solutions on the border. None.

The President said not a word about our men and women in uniform. The President referenced Ukraine but didn't provide an actual strategy or desired outcome besides "Putin bad, Ukraine good."

Look, the fact of the matter is, the entire Nation is tired of exactly what we saw last night. Tired of it. The President came in and tried to offer populist rhetoric. Frankly, stealing some of the rhetoric almost directly from President Trump.

He tried to offer some old school Democrat rhetoric, saying, we have got a program for everybody in America. Don't worry, we are going to pay for it. I gave a speech on the floor of the House about a year ago entitled the United States House of free stuff about this body. A number of my colleagues on the other side of the aisle came down and talked about all of the student loans that would be forgiven, all of the spending that my colleagues on the other side of the aisle would offer with no indication of how it would be paid for because why would you do that?

Look, the fact of the matter is, this body, the people's House, is never going to be serious about representing the people until we stop spending money we don't have, stop allowing for the printing of money to carry out the very things the American people sent us here to stop doing, stop funding the very bureaucracy that are carrying out the actions that we decry in our own campaigns. We are never going to get this country on track until we stop printing money, borrowing money, and spending money we don't have.

I would defy any one of my colleagues, anyone this side of the aisle or the other side of the aisle to come prove that statement wrong.

When we are \$32 trillion in debt, or almost, and we keep having a debate about who is going to spend more money on which program of our choice, how is that going to save the country?

With all due respect to colleagues on my side of the aisle, I have heard numerous Republicans say, "We are not going to touch defense spending." Okay. Good for you. Maybe I agree. Maybe we shouldn't touch defense spending. Maybe we need more defense spending to beat China.

But then what, pray tell, is your solution to fund it? I promise you—look, I request all my Republican colleagues