

"We must learn to live together as brothers or perish together as fools."

"I have decided to stick with love. Hate is too great a burden to bear."

"Our lives begin to end the day we become silent about things that matter."

Lastly, "Life's most persistent and urgent question is: 'What are you doing for others?'"

In service, we honor Dr. King's legacy, and we commit to his written words from the Birmingham jail that we continue to strive toward justice.

BEACON OF PROSPERITY

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2025, the gentleman from Arizona (Mr. SCHWEIKERT) is recognized for 60 minutes as the designee of the majority leader.

Mr. SCHWEIKERT. Mr. Speaker, tonight is going to be a little thick, so I apologize to everyone, but we are going to actually try something a little bit broader. We are going to actually play economist.

I am going to try actually to walk through three or four themes here of why what we must do is so difficult, why it absolutely has to happen, and the truth about the math. Let's have some fun here.

Since I know everyone around here is a genius and we spend lots of time reading difficult things, I am sure every Member of Congress got their hand on the latest McKinsey report that came out a few days ago that actually walked through in beautiful detail what is happening in the industrialized world with the lack of young people. Okay. Let's walk through this.

Idiots like me have been coming behind this microphone for almost a decade talking about the morality of prosperity. I don't care if you are on the left or right, but having a society that grows and becomes prosperous and becomes more and more productive and can provide better things is moral, but, also, why is it so hard?

Look, this was done by our own CBO, taking updates from the data from the Census Bureau. In 8 years, the United States has more deaths than births. Last year, we had 17 States that had more deaths than births.

Okay. If Members read through, the term now has become "absence of young people." There is lots of crazy discussions. There are entire books. I have all these things on my shelves about natalist policies and how many countries have tried to encourage higher fertility rates, and all failed. There really is no success in the entire world.

They have been able to move forward some of the fertility rates spiking up, and then they go back and fall back to the mean. It is the nature of wealth. It is the nature of modern societies, but then my colleagues come to me and say: David, you are on Ways and Means, chaired the Joint Economic Committee, so all of these economists

work for you. Show me how we are going to have 3 percent GDP growth every year.

I can show Members how to do it. I just need my colleagues to understand that the United States is better off than so many countries, but the fact of the matter is we are having fewer children than countries like France.

In 8 years, we have more deaths than births. Remember the first year of economics class where they walked through the formula and said, well, population growth, then capital expenditures for plant and equipment that are more productive, then spikes in technology. That is how the wealth of a nation is built. We are losing one of the things.

When people like me walk behind these microphones, my colleagues need to hear coming out of their mouths: I am willing to actually deal with the reality of how do we make capital investments in equipment that makes us more productive? How do we encourage the synthetic biology that makes us not only live longer, but able to survive and do well and enjoy life? How do we actually deal with not being fearful of AI and artificial intelligence, but use that to make this another American century? I can't make the math work without the adoption of labor substitutes.

I am going to actually show something here that seems to make people mad when I get to it. Let's wait, I am going to actually make a pitch that what are the two extraordinary privileges of this country?

Okay. Members are going to hear monetarists come behind the microphone all the time and say that people want to use the U.S. dollar and that people must use the U.S. dollar to borrow, to trade in, and to hold assets.

As an economist, what is actually more valuable than having the world reserve currency is that smart people, entrepreneurs, and people with wealth want to invest their lives, their time, and their talents in the United States.

We hold the two greatest extraordinary privileges from a worldwide economist. We have to start understanding the math and what we are up against because it is not us.

Start to take a look at what is going on. I know some of these charts are almost impossible to read, but the basic point of many of these is we have all talked about, in a couple of years, all of the baby boomers are 65 and up, and we have this huge population bubble.

We hate to say this because we get booed at our townhalls when we say this: The fact of the matter is, in the next 10 years, almost 100 percent of U.S. debt is interest and the growth of the cost of Medicare.

How many years have we known that baby boomers were going to turn 65? It has been 65 years, but we didn't plan for it. We didn't set it aside. One thing we weren't ready for as a society is, in 1990, fertility rates started to roll over.

As the McKinsey report goes up and down, it is the absence of young people. Now make an economy grow.

Some of the points I am going to try to make here is this one. I need people to think. There was the kerfuffle last week when Elon Musk and some of the others got into the H-1B visas, bringing talent into the country. I am actually not even sure I liked the H-1 process. I would like to move maybe to a talent-based system.

The entire industrialized world is going through things very similar to us. China's numbers look—it is the craziest charts you are ever going to see. It is like a boom.

In the 1970s and 1980s, the world competed for hydrocarbons, oil. We remember the oil.

The last decade, we sort of battled for where we could have supplies of rare earths. Some of the smartest economists who actually do demographics are now saying that the industrialized world is going to knife each other for smart people.

Now, maybe a smart person is the great carpenter or the synthetic biologist, but we need to start being honest with each other that my colleagues want us, particularly my economic team, to say: Build us ideas. Build us a plan. As we get ready to do reconciliation, do the things that provide us the growth so we can still be Americans, that sort of beacon of prosperity.

□ 1645

Mr. Speaker, you have to understand that, in 8 years, there will be more deaths than births.

Are we going to be willing to do very difficult things and move to a talent-based immigration system that doesn't care about your race, your gender, who you cuddle with, or anything else? It cares about the talent.

I have actually done entire presentations here where I have shown that what happened at the border over the last 4 years will make the working poor poorer in this country. It is math. It is not my opinion. I am not demagoguing. It is math.

In part of our society, we have what is called the quartiles. I sort of despise that term. It is people who didn't graduate high school, so what they do economically is sell their willingness to work. They go out and hang drywall. They bust their backsides, and then, tomorrow, they are competing against millions of other people with the same skill set. Look at how our economy works and the fact that, let's be brutal, populations under a certain income will receive services from our society because we are a compassionate society.

When you start to see a talent-based immigration system, you have people here because of the productivity they bring to society. It turns out that when you look at their career, they pay a boatload of taxes and actually help us grow. We need to deal with the math, and the fact of the matter is, we look over and over at these things.

I am just using Japan because it is easy. Japan has almost 300 percent

debt-to-GDP, but it is a unique society because their corporations, their individuals, actually finance almost their entire debt, where the United States is chewing up much of our capital stock now. We are borrowing somewhere between maybe, if you actually just take this fiscal year, as high as \$80,000 every second. We borrow \$6 billion, \$7 billion every single day.

I have done the chart before, but think about this. We click off an additional trillion dollars of borrowing about every 125 days. Do you think it is going to go on forever?

I am going to show you, in the second part of this, a number of the biggest bond traders in the world, and Larry Fink and Ray Dalio are basically saying you guys got a problem, and it is coming fast. They are actually taking billions of dollars and starting to hedge even the U.S. bonds and saying we think you are going to 5 percent, 6 percent.

Please understand that if the United States ever went back to what was normal before the Great Recession of 2008, if we went back to a 6 percent handle on U.S. debt, in 9 years, 45 percent of all tax collections are interest. Why doesn't that scare the crap out of people?

Then, we are going to engage in policies where we are doing our best to scare to death the very people we are turning to, saying to please buy our bonds.

How do we do what is necessary, particularly in reconciliation, to not hurt working people by having their taxes go up because of the expiring provisions of TCJA, and then also, at the same time, deal with the math. If we finance everything, because we are already scheduled to borrow about \$22 trillion additional between now and, I think, 2034, is the intent to stack another \$5 trillion on top of that?

You don't think the bond markets aren't going to punish us? Little bits of interest just crush not only the U.S. Government but also working people.

How many people can afford a mortgage right now when it is over 7 percent? How many can afford a car loan? We just went through, functionally, 3, 4 years of inflation where, in my community, if you don't make 27 percent more, you are poorer today.

Isn't the employment rate great? It is, but it is wage growth, and wage growth goes up by two things: inflation, which means you are not getting ahead and are just treading water, or productivity.

When you are lacking population growth, how do you get productivity? Regulatory policy, good trade policy, great tax policy that makes it so you are investing in plants, equipment, and research and development to do it better, faster, cheaper. That is how you make people less poor.

This one is a little tricky, but it is fascinating. If you actually dig into the article, if you are out of your mind or geeky or you just don't have a life or

you don't have a Netflix subscription, you sort of dig into what level of productivity growth you actually need just to sustain your lifestyle.

It is all sorts of different countries, and for the United States, you need almost about 2 percent where we are looking at the different years. Do you see the pink line? We calculate if you are not having at least a 1.8 percent productivity gain, which is a lot, you are functionally poorer. You become poorer.

For all the people who complain about, well, don't do tax cuts for business. Okay. Don't do regulatory change for business. Okay. Now, go read the literature.

We know that, in 2017, when we did the change in the corporate tax rates, getting companies to move their money back here, getting them to invest in productivity, those things, we calculate from 60 to 70 percent of every dime they got went into wages because, once again, the primary way people make more money is productivity.

This is the chart I am sure will show up in an election ad beating the crap out of me, but you see this spike? That was the years of the open border. We go back to normality where the immigration system—except we are the last country really on Earth that uses a familial system.

In a familial system, you sponsor someone because your grandma was here. Your grandma sponsors her sister, and they sponsor theirs. That is a familial immigration system.

My argument is, as part of when we are starting to deal with productivity for the society, we actually have to start thinking about it from top to bottom. It is not just great AI policy, great synthetic biology policy, great regulatory policy, great tax policy. It is also going to have to be immigration.

Now, on to sort of the reality of where we are at. We actually got, I am going to call it, better news. CBO actually did some calculations and said we expect tax receipts to be up in this fiscal year.

I have come here repeatedly and shown my chart that says, for every \$1 the United States takes in in all sorts of tax receipts—remember, most of those tax receipts are going to Social Security, Medicare, those sorts of things, but for every \$1 we take in, \$1.39 is spent.

Guess what? The good news is that now it is no longer \$1.39 of spending for every \$1 we take in. Now it is \$1.36. It got better, but it is still terrifyingly bad. This is the improvement that so many people are running around being giddy about.

Let's actually sort of walk through some of these numbers as quickly as we can.

This chart says Federal spending as the share of total tax revenue. The reason I am showing you this is to give you an idea of the scale we are up against. If you actually take all of our

tax receipts, every dime, and say here is what we call mandatory spending—Social Security, Medicare, Medicaid, veterans benefits, and interest because you have to pay your interest—we are the ones who basically binge on debt. It consumes every dollar of tax receipts plus some.

We actually don't collect enough taxes to pay for our mandatory spending and our interest. That is our basic problem. If you do net interest and mandatory spending, it consumes everything.

Mr. Speaker, the point from this chart is very simple: Everything you and I vote on, everything a Member of Congress votes on, is on borrowed money. That is every dime of defense and every dime of nondefense discretionary.

We are going to do theatrical things like go on our local talk radio show, go on cable television, sometimes stand behind these mikes and say things that may be great policy, but we act like it actually will make a difference to these sorts of numbers. It doesn't.

I have heard my brothers and sisters here say things like, okay, ObamaCare subsidies for those who are here illegally. I am fine with that. Go ahead and get rid of them, but it is 9½ hours for an entire year's worth of borrowing.

In an entire year, you just covered 9½ hours. Don't act like it is a solution. It is one of a thousand things you have to do.

Here is the classic problem on the way this place thinks. It turns out that fixing things is complex, and we live in a society with these things where we want something that is simple, flashy, short. It turns out that complexity often requires a complex solution.

It is hard. We will have the armies of the lobbyists in the hallways mad at us. They don't like it when we tell the truth, Heaven forbid.

Have you ever gone home and talked to your voters and they think if you just got rid of foreign aid—and then you show them the chart. It is about a week of borrowing, and they just stare at you with daggers, like, how can that be?

It is not their fault. I believe the political class, the commentary class, and the partisan media class have just made up crap for years.

I challenge my brothers and sisters on the left and the right to know your math and start telling the truth. If you look at charts like this where this right here is breakeven, this is where the dollar is. Even this year, every dime of discretionary and a little sliver of mandatory are on borrowed money, once again.

The only reason I threw this chart in the way it is, where we did '24, '25—you see this. That was with the CBO's calculations that the law says next year they get to take in some \$400 billion additional taxes because Americans' taxes go up. We don't want that to happen. We want to protect hardworking people.

The very last board I am going to show here is the way you protect American people is you offset as much of that as you can because you give it to hardworking folks and then take it away from them in higher interest costs and higher financing costs. You smile at them and hand them a dollar in their face while you are grabbing their wallet from behind and stealing it from them. That moment of telling the truth about math is really important.

I brought a lot of the boards just trying to explain that, for the last couple of years, for every \$1 we took in in tax receipts, we spent \$1.39. This year, we will spend \$1.36, which means all that differential.

This is a little complex, but this will make it super simple, as best I can.

You are going to hear particularly Democrats and others say the tax reform caused this or that. You have to work through the incredible craziness of the pandemic, but if you look at the charts and actually take a look at the matching of TCJA and what we expected to be inflation-adjusted tax receipts—I am not playing the scam of looking at how much more money we are getting, even though we have had 25 percent inflation. For an honest number, when you actually calculate it and normalize it, guess what? Tax receipts are pretty much right on track.

We have a couple of these to give you sort of a sense. When you take a look at annual revenues match pre-TCJA projections, this one is important, and we often don't actually talk about it. Go back to the baseline numbers of CBO and Joint Tax before we did tax reform in 2017. Then, step up to where we are today and take a look where baseline is. If you adjust for inflation, it is normal.

□ 1700

The math is normal. When someone says, well, it is because you did this tax reform and you helped the economy, I am not standing in front of you and saying tax cuts pay for themselves. What I am saying is that the scale of the economy actually today is right on track to what the projections were before tax reform.

It is a complex calculation of everything from technology adoptions to new ways we do things to productivity gains, but the baseline number is the baseline number.

Now, back to trying to make the point. What is the issue with the United States bingeing on debt? Is it that we don't collect enough taxes, or is it that we spend too much money?

I have done entire presentations here where I have shown high marginal tax rates, low marginal tax rates, and we seem to hold about 17 percent of the size of the economy in taxes. You will often hear 17 percent of GDP.

It is historic. Somehow when you raise up the marginal tax rates, you are getting 17 percent of the economy. Part of that is an offset because the economy slows down. When you have

done low marginal tax rates, the economy grows, so you are getting 17 percent of the economy because the economy has expanded.

In trying to make the point that growth is moral, it is also great economics. How do you grow, grow, grow? I just showed you, in the beginning portion of this, we have an issue. In 8 years, we will have more deaths than births. We have a demographic issue—debt demographics. Demographics are your destiny.

I am just trying to point out on this, over the last 4 years, we functionally have borrowed \$7.8 trillion in deficits. That borrowing functionally is a current stimulus effect, but you are going to pay for it. It is coming out of your retirement, whether you know it or not. It is coming from your kids.

I am 62, and my wife is 62. I have a 9-year-old daughter and a 2½-year-old son. They both have the same birth mom. We have adopted them. My little boy, when he is 24, to keep baseline services, just to keep things even—what was that fancy word? *Ceteris paribus*—the United States, in about 22 years, would have to double every single tax. The math basically says my kids will be part of the first generation in America that will be poorer. That is the morality of this place.

They will say, DAVID, adopting modernization and cutting spending is really hard, and we are going to get someone who is going to say mean things about us. Instead, you are willing to screw over your kids? That is the morality of this place. How is that Republican or Democratic?

Then, once again, to my friends on the left over here, I have done a whole presentation on it. Go to the Manhattan Institute right now. Look up Riedl's analysis. Every tax hike—and there is a dozen of them—on those \$400,000 and up, when you do all the economic effects, produces about 1½ percent of GDP.

For those of us on the right, here are all the things we are willing to cut. It is about 1 percent of GDP.

If my math is right, that is—what?—2½ percent.

Mr. Speaker, we are going to borrow about 7 percent of the entire economy this year. Does anyone get the fraud? "Here are the tax hikes. It is rich people," or, "We are going to do these cuts."

We are not willing to do the hard things of modernizing how we deliver services to our brothers and sisters in this country because we are going to make some bureaucracy, some union, some company out there that lives off delivering the services the way they were doing it 30 years ago modernize.

Once again, over the last 4 years, we have gone from—what is it?—4 years ago, the debt was \$1.52 trillion. Last year, it was \$1.9 trillion. Now, you have to understand that that number also is a bit of a fraud.

The United States is one of the only countries that doesn't actually put in

its internal borrowing. We borrow money from the Social Security trust fund, from the veterans trust fund, from all these things. Are we not going to pay it back? You know we pay interest to those.

That is why the real number for this year is going to be closer to \$2.3 trillion because there is about another \$300 billion out there that we borrow internally that we also have to pay back and also have to pay interest.

Budget deficits are headed to—I have to make the point. If there is any staffer who actually writes memos for their boss, this is the one I want them to memorize. If we do the tax hikes that are coming and don't offset them—we don't pay for them—in 9 years, we are no longer at 7 percent of the economy in borrowed money. We are at, I think it is, 9.2 percent of the economy in borrowed money.

When the smart people are starting to tell us that small changes in interest rates—are we really dead set on trying to freak out our bankers, the people we turn to, and say: Please buy U.S. bonds. Help us finance the fact that we can't stop spending.

Let's say this again. If we went to a six handle on U.S. debt, so 6 percent, which I think, before 2008, we were at 5½, 6 percent, somewhere in there, in 9 years, 45 percent of all tax receipts would be just interest.

We are playing with live ammunition here, and we seem terrified to own a calculator.

You are going to tell our brothers and sisters, the hardworking people of this country, that we are not going to let your taxes be raised. Absolutely. But we don't want to do things that are hard and get yelled at by a lobbyist or some group back home, so we are just going to borrow the money. We are going to give it to you, and then a few years from now, you will find out that productivity in the country has slowed down because the capital stack, another \$4 trillion we have sucked out of the economy, doesn't get lent to your business, to you buying a house, to the new piece of equipment.

The economists have already done the calculations basically saying—I am sorry, it got crumpled as I was marching over here—you want to maximize the economic growth and the wealth of this country. There is a CBO report that has been vetted by my economists on Joint Economic. You want to maximize prosperity and the curve. You offset the spending because you are screwing up the available capital.

The reason really smart bond houses are now writing articles is the bingeing on debt that is going on in this country but also China and so many other places. Why do you think Great Britain this summer took down their government? Their bonds exploded; they lost their government. What the hell do you think is going on in France? What do you think is going on in Germany? What do you think happened in South Korea? What do you think was happening in Canada?

All these countries, even Germany, are just trying to deal with the financing costs of their pensions. The United States is much better off than many of these countries, but it is coming fast for us.

Do hard things today. Maximize prosperity tomorrow for every working person but also for my kids and maybe for your pension, your retirement.

Mr. Speaker, getting older isn't Republican or Democratic. It is math. Go to CBO's data and tell the truth: 100 percent of the debt for the next 30 years is Social Security and Medicare. The rest of the government actually grows slower than tax receipts. It is like \$124 trillion of borrowing, but everything is basically what we call discretionary. Military is actually squeezed to grow slower than the tax receipts. It actually has what they calculate as a positive balance.

This isn't mean because, the fact of the matter is, we have demonstrated here over and over that you could modernize how we deliver so many of these things to our brothers and sisters who have earned their benefits. You just have to be willing to tell the bureaucracy and the deliverers of those services, saying: We expect you to modernize.

Those of us with a fixation on watching the bond futures, the debt markets, today's interest rates are almost a full point higher than they were December 1. If that 1 percent works its way into U.S. bonds over the next 10 years, it is almost \$3 trillion of additional spending. It is almost everything we are talking about trying to cut.

Grow up. Figure out how to actually act like we are the board of directors of the biggest economy in the world, understand math, and start being fiscally disciplined. It doesn't mean cruel. It is not cutting and slashing. If you don't communicate to the world, who we ask for money, they raise our interest rates, and those interest rates are much more cruel than anything we could possibly do.

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

The SPEAKER pro tempore. Before we go to our next speaker, may I please remind the gallery to close the door if there are conversations outside the gallery.

PARDONING RIOTERS WHO ASSAULTED 140 POLICE OFFICERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2025, the gentleman from Connecticut (Mr. HIMES) is recognized for 60 minutes as the designee of the minority leader.

GENERAL LEAVE

Mr. HIMES. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. HIMES. Mr. Speaker, here we are on the final legislative day of inauguration week.

As a Democrat, this was a week of mixed feelings for me and for my colleagues on this side of the aisle. I am also a genetic optimist, so on Monday, I went to the inauguration, yes, concerned, but also optimistic about new possibilities, committed as I always have been to finding ways to work with my Republican colleagues for the benefit of my constituents, and celebrating the peaceful transfer of power this time.

This time because, Mr. Speaker, as we all know, 4 years and 17 days ago today, in this Chamber, a brutal, violent, criminal attempt was made to prevent the peaceful transfer of power in our democracy.

Thousands of people rioted and descended on the Capitol. They broke windows, and they attacked police officers with heavy objects, with bear spray, with their fists, with anything at hand. Several carried firearms.

There were 140 police officers who were assaulted. Let me say that again: There were 140 police officers who were assaulted that day.

All of us have memories of that day. I started the day up in that corner of the gallery, and when it became clear that we had to evacuate, because I was in the gallery with some colleagues, it took a long time. We saw what was happening on the floor.

We saw the Capitol Police with weapons drawn as an object broke the window of the main door to the House. We watched the Capitol Police move a heavy article of furniture. In this country, it was an article of furniture that prevented the rioters from getting into this Chamber.

We have all seen those images. This time, we had a peaceful transfer of power.

Now, on Inauguration Day, I kept that optimism until the moment that the new President took the decision to pardon not those who were wrongly convicted for their actions on that day, not those who just got caught up in the frenzy and maybe didn't know that they were committing an offense by trespassing on the Capitol Grounds. The new President pardoned every single person, including those involved in those assaults on 140 police officers—every single one of them.

That was an uncomfortable moment for some of my colleagues, particularly on the Republican side. They were asked, and, well, they hadn't read the pardons, hadn't heard the story. It was an uncomfortable moment.

The Speaker responded by saying, yeah, we are not looking backward; we are looking forward. Then, very shortly thereafter, he reconstituted a committee to investigate the people who investigated what happened here on January 6.

□ 1715

The Speaker of the House said, House Republicans are proud of our work so far in exposing the false narratives peddled by the politically-motivated January 6th Select Committee during the 117th Congress; the false narratives.

Mr. Speaker, I get it. I get it. Sometimes people on my side of the aisle do things with which I do not agree, and I try to have the principle and the integrity to call them out for it.

You have two choices when people on your side do things that are wrong: You can call them out, you can stand with principle, and you can be clear; that is what leaders do. You can also obfuscate and try to change history, try to suggest that what we all saw and experienced traumatically wasn't what we all saw and experienced.

You can make stuff up, like maybe the FBI instigated it. Maybe it was really NANCY PELOSI's responsibility. Maybe it was antifa. Oh gosh, maybe the people who assaulted 140 police officers were just, like, tourists.

That is not the way of leadership. That is some dark, dark and evil way of proceeding. Why?

Because it dishonors the truth on which the stability of this Republic relies and maybe just as importantly: It dishonors all of us who were there that day and who saw with our own eyes what happened.

Maybe worst of all, it dishonors the brave men and women who put their lives on the line that day to protect us. Those of us who put up the signs on our office doors saying: Thank you, Capitol Police, only to turn around and remain silent when the attackers of the Capitol Police were pardoned on Monday.

These were people who put their lives on the line to protect us and the democracy. I think it is worth spending a minute or two, Mr. Speaker, to remind us who these people were and what happened.

Capitol Police Officer Brian Sicknick, he stood outside the gates here and fended off the attackers as they bear sprayed him in the face and eyes.

The very next day, Officer Sicknick suffered two strokes and ultimately died, making him the first fatality of January 6. Officer Brian Sicknick was only the fourth Capitol Police officer to die in the line of duty.

Julian Khater pled guilty to pepper-spraying Brian Sicknick, and he was pardoned on Monday.

Officer Jeffrey Smith of the Metropolitan Police Department, he fought off rioters in the Capitol that day only to be struck in the face by a metal pole as the siege continued that night. You can imagine the trauma. We feel it. We didn't get struck in the face by a metal pole though. Days later, Officer Smith climbed into his Ford Mustang and shot himself in the head.

Those who assaulted Officer Jeffrey Smith are now pardoned.

Officer Howie Liebengood grew up in the Senate. He followed his father