

should pay more? The point is we haven't said anything other than just add that trillion dollars on the deficit.

Now let's take a look at the Bush trillion-dollar tax giveaway to the very wealthy, who said that if we gave them the money, they would create jobs in our country. Guess what? They took the money and they created jobs offshore. Corporate profits are at all-time highs, but are jobs increasing in this country? No. Those corporate profits are due to the booking here in our country of profits earned offshore.

So some say give them more tax breaks. Why, unless they invest in our country in job creation here at home. We would be foolish to waste precious dollars on more outsourcing.

And finally, former President Bush had this idea for pharmaceuticals. He said don't let the Federal Government bargain the cost of pharmaceuticals in Medicare and Medicaid expenditures. Yet when we can't do that, when we fail to negotiate the best, competitive prices, that omission adds hundreds of billions of dollars to our debt.

Mr. Speaker, to solve the deficit problem, Congress and the executive branch must focus on employing the citizens who are out of work. That is the real cause of our economic sluggishness. America ought to address causes, not symptoms.

THE FAIRTAX

The SPEAKER pro tempore. The Chair recognizes the gentleman from Georgia (Mr. WOODALL) for 5 minutes.

Mr. WOODALL. Mr. Speaker, I am pleased to come to the floor today. I'm still a little bit winded. I was over in the Ways and Means Committee room where we were talking about exactly these issues. I'm embarrassed that my fitness is in such a state that running up the stairs winds me.

But that's what happens when you don't focus on something, when you don't put in the time it takes to stay fit; things degrade. And that's exactly what's happened with our economy, Mr. Speaker. It's absolutely true that folks are out of work, and it's absolutely true that the best form of unemployment relief is a paycheck. It's not an unemployment check. It's a paycheck.

But why are these jobs going overseas? And this is the real debate that happens up here absolutely every day because people just believe different things about how it is that we put Americans back to work. Every single person who comes to this House floor wants Americans to go back to work, wants America's economy to be the pride of the world once again.

But I will tell you the reason we lose jobs overseas is not because we're taxing businesses too little; it's because we're taxing businesses too much. We have the single highest corporate tax rate in the world in America. Why does Sony want to locate their next plant here? Why does Rico want to locate

their next plant here? Why does Whirlpool want to keep their plants here? We punish business in this country through our Tax Code like no other country in the world.

Now, is there a regulatory component to that too that we need to solve to make America attractive for business? There absolutely is. Is there a health care component of that if those costs rise? Absolutely there is. Is there a payroll tax cost in that we need to address, the largest tax 80 percent of Americans pay? Absolutely there is.

There is only one proposal in the House that does it, and the Ways and Means Committee right now across the street right here behind you, Mr. Speaker, in the Ways and Means Committee room, is holding a hearing on H.R. 25, the FairTax.

The FairTax eliminates these income taxes and moves America to a consumption tax model. America is the only country in the OECD nations, those economically developed nations, that does not have a consumption tax. The FairTax shifts us in that direction.

And what it does for the first time, the only bill in Congress that does it, it eliminates every single bit of corporate welfare in the United States Tax Code. Oil companies, gone. Solar companies, gone. Foreign companies, gone. Every single tax break in the Code is abolished, Mr. Speaker, because we know the free market works best when the market is free. And we know that businesses don't pay taxes. Consumers pay taxes.

There is not a penny that we charge Walmart that they don't roll right into their costs and pass it along to us. You see it. You see it absolutely every day. If we raise gas taxes, gas prices are going to go up. If we lower gas taxes, gas prices go down. The market sorts those things out.

Have you ever been to a Coke machine, Mr. Speaker? I'm from Atlanta; so I'll talk to you about Coke machines. But usually they're going to sit beside a Pepsi machine. Have you ever seen that Coke costs \$1 and the Pepsi right beside it cost \$2? No. Do you ever see the Coke sell for \$1.50 and the Pepsi beside it try to sell for \$5? No. And that's not just because Coke's a wonderful product. It's because the consumer rules in America and price matters. You can't charge whatever you want; you can only charge what the consumer will pay. And when taxes go up, consumers have to pay more.

The FairTax, Mr. Speaker, will bring those jobs back to America like no other proposal in this Congress. It eliminates those corporate income taxes, and it eliminates payroll taxes. Have you thought about your payroll tax recently? It is 15.3 percent of every paycheck that you get.

Now, the wealthy don't pay payroll taxes because they're making their money in interest or dividends or capital gains, these things that payroll taxes don't come out of. Those of us who work for paychecks, we pay pay-

roll taxes. And at 15.3 percent, the payroll tax is the largest tax that 80 percent of Americans pay.

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The largest tax that 80 percent of American families pay, and we don't spend any time on the floor discussing that. We argue about income tax all the time. Half of America doesn't even pay income taxes anymore. Payroll taxes are the taxes that American people pay, 15.5 percent; and it comes out of your paycheck before you even get to see your paycheck.

Milton Friedman, the Nobel Prize-winning economist who helped during World War II establish the withholding system—the government needed money in a hurry. It was wartime. That's when we began sucking money out of your paycheck before you ever see your paycheck. Milton Friedman said the worst decision of his life was not working to do away with the withholding system once World War II ended because you need to know how much money you are paying. You need what it costs you to run this United States Government.

We talk about trillions. Have you thought about \$1 trillion, Mr. Speaker? One trillion dollars, the cost of the President's health care plan, for example. If you started a business on the day Jesus Christ was born and you were so bad at your small business, Mr. Speaker, that you lost \$1 million a day, every day, 7 days a week from the day Jesus was born through today, you would have to continue losing money for another 700 years to lose your first trillion dollars. We throw that number around like it is nothing. It is something. We need jobs back in this country. The FairTax will do it.

I encourage folks to pay attention to what's happening in the Ways and Means Committee today on H.R. 25.

RAISE THE DEBT CEILING

The SPEAKER pro tempore. The Chair recognizes the gentlewoman from Texas (Ms. JACKSON LEE) for 5 minutes.

Ms. JACKSON LEE of Texas. Mr. Speaker, my good friends have come to the floor of the House. My good friend just came and offered some solutions, and I would say that it's important for Members to have ideas and to be able to engage on behalf of the American people.

Every time we stand in this well, we should be rising to make the lives of the American people, those who have entrusted us to be the holders of the values of this great country, we should be moving on on their behalf. So this morning, I'm asking that we get on with it. It's important to be discussing tax reform. But as many of us know, that is a long, protracted process of give-and-take. And many Americans will understand what the payroll tax is all about when they look in the faces of their seniors and themselves and they know that part of that is Social Security. We know for a fact that Social Security has been a lifeline for millions

of Americans, and it is solvent, and it's important to know that America is not broke.

But the good work of the Ways and Means Committee and the good work of the Judiciary Committee, which is meeting right now—and I'll be heading on to that committee to talk about preventing corruption in business and making sure the American people get their fair share. It is important that we move on. And how do we move on? We do something that Americans have said by and large that they want us to do together, and that is to get past this debt ceiling, do something that has been done time after time after time.

Yes, we have grown as a Nation, and the reason is because in World War II we were not 300 million-plus people. We didn't have all the assets and responsibilities. In fact, the wars of Iraq and Afghanistan were longer than World War II, and all of those moneys were spent under the last administration. Tax cuts that for individuals who, by and large, have said, No, thank you, because they want to invest in America.

So I'm prepared to join with my many friends to work on moving this country forward, but let's move on. Let's move on beyond the impossible proposal given by Speaker BOEHNER that focuses on a two vote process for the debt ceiling increase and vote once then come back and fight it out again in 6 months. That is not the consistency and the evenness that is necessary for all of those who are seeking employment or all of those businesses or all of those in the arena of money making. They need an even pathway, they need consistency for the markets.

We need to get on with the ordinary business so that we can begin to talk about the growth of this country, education for the young people, making sure the doors of businesses stay open, talk about how do we fix a tax system where we all can benefit. But as long as we are wallowing in the ordinary work, the work that should just go on, we will never reach the point of sanity, which is to sit down at the table of reconciliation and compromise. I know we have it in us. We like each other. But it appears to the American people that we may not like them.

So I will just ask, we're nearing the resolution of the debt ceiling, again, to pay the bills that were built up between 2000 and 2008, billions of dollars spent in Afghanistan, billions lost in untoward contracts. We don't even know where the moneys have gone—Iraq, moneys lost; a war that was, in essence, a detour.

And let me just say, every time I say that, I always thank our soldiers and their families because they are not a detour. They accepted the call to duty, and we owe them a great deal of appreciation.

But the policymakers sent them into wars that are going on and on and on, and it caused this country to pay for these wars. At the same time, there are drastic draconian cuts in the revenue

coming into the United States bank account.

So here we are, President Clinton having left in 2000 with \$500 billion of surplus; we came out of 2008 in enormous debt. So what are we doing today? The debt ceiling is simply saying pay America's bills. And it's also saying to the many countries around the world—which we appreciate buying our Treasury notes. That is of value to the United States. The dollar has been stronger than any other currency, except the manipulation that goes on in China. But it's stronger than the euro.

So, Mr. Speaker, it is important to pass the debt ceiling, get past this frivolity of doing it twice. It is time to pass and move forward the Reid proposal which can bring all of us together. And that's what we should do, begin to do, and look at it on behalf of the American people. America should pay its bills.

POLITICAL GAME OF CHICKEN

The SPEAKER pro tempore. The Chair recognizes the gentlewoman from New York (Ms. HOCHUL) for 5 minutes.

Ms. HOCHUL. Less than 2 months on this job, I only have one question to ask: Is anyone in this body listening to the people who sent us here? I can only conclude at this point that the answer is "no," or we would not be teetering on the precipice of not just a government shutdown but an intentional economic shutdown, the likes of which we have never seen in this country. And I say "intentional" because there are high stakes in this game of chicken.

We all know the game of chicken. You've got a couple of crazy teenagers racing toward each other on a highway, and nobody's going to swerve. What happens when no one blinks, no one swerves, no one comes to their senses? Crash. Lives are lost. No survivors. It's not a pretty sight.

It didn't have to come to this. The American people who voted for us, put their faith in us, they don't want this to happen. They wonder if anyone in Washington is listening, and they're absolutely right in that assessment.

I will tell you, I was at a firemen's parade in the tiny, tiny village of Silver Springs in one of my most rural counties, Wyoming County. There are more Republicans than cows out there; and cows and Democrats, not a lot of people. But I'll tell you, we are all bound by the same feelings.

This frustrated senior at the firemen's parade in Wyoming County said to me, Why can't you guys get your act together? We send you there to do a job, and you guys aren't doing it.

You know, he was right; he was absolutely right, and I took that to heart. I came back here, and I want to do something to restore his faith in us.

He talked about the seniors. He said, We are so scared out here. I need my Social Security. I need my Medicare. Why are you guys talking about hurting us? We paid into these systems all

of our lives. We don't deserve this. I said, I'll go back. I'll do the best I can. I'll fight for you.

They have fear, uncertainty, and disgust, all directed at the ineptitude of Washington.

□ 1100

Well, it is wrong. It is plain wrong that we are even considering defaulting on America's obligations. It's doubly wrong that we'd consider defaulting on our obligations to our seniors, promises made 46 years ago this week with the advent of Medicare.

The integrity and willingness to uphold and honor our promises should be the hallmarks of this great institution. And yet what I've witnessed in such a short time is a willingness to renege on our promises to our debtors, our seniors and, ultimately, the American people.

Right now, it's not too late to avoid that highway collision where no one walks away. The American people deserve better than this. Our small businesses deserve better than this. Our middle class families deserve better than this.

I'll tell you, we need to get on with the business of the American people, and do it as soon as possible.

WHAT THE PEOPLE WANT TO KNOW

The SPEAKER pro tempore. The Chair recognizes the gentleman from New York (Mr. ENGEL) for 5 minutes.

Mr. ENGEL. Mr. Speaker, I rise today because I want my colleagues to hear some of the things that I'm hearing from my constituents back home. People want to know why we cannot compromise. People want to know why we cannot work together. I don't know the answers to that because I think we should.

What I see happening here is something that I haven't seen in the 23 years that I've been here. It's that people do not seem to want to move to the center and to compromise.

I know some of my colleagues on the Republican side of the aisle, particularly the Tea Party-backed freshmen, have signed a pledge never to raise taxes. Well, I want to say what Senator COBURN said the other day. He said, what am I upholding my pledge to? I uphold my pledge to abide by the Constitution, not upholding my pledge to abide by what a special interest group wants.

People want us to meet in the middle. People don't understand why there seems to be intransigence.

You know, we have spent too much over these past decades. And you know what else? In order to get back to where we can balance our budget and pay our bills, we can't do it all with just spending cuts. It has to be three things. It has to be spending cuts, for sure. It also happens to be and should be closing tax loopholes for the very wealthy who get away with paying no