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House of Representatives

The House met at 12:30 p.m. and was called to order by the Speaker pro tempore (Mr. CULBERSON).

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
September 24, 2002.

I hereby appoint the Honorable JOHN ABNEY CULBERSON to set as Speaker pro tempore on this day.

J. DENNIS HASTERT,
Speaker of the House of Representatives.

MORNING HOUR DEBATES

The SPEAKER pro tempore. Pursuant to the order of the House of January 23, 2002, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning hour debates. The Chair will alternate recognition between the parties, with each party limited to not to exceed 30 minutes, and each Member, except the majority leader, the minority leader, or the minority whip, limited to not to exceed 5 minutes.

The Chair recognizes the gentleman from Michigan (Mr. SMITH) for 5 minutes.

THE FEDERAL DEBT

Mr. SMITH of Michigan. Mr. Speaker, tonight I and some others are going to do a one hour special order, on some of the problems, the misconceptions about the debt of the Federal Government. The policy committee that I serve on, the Republican Policy Committee, met with Art Laffer, who I consider an esteemed economist in this country. One of my questions to Art was what is worse as far as being a downside to economic growth—the debt and going deeper into debt in this

country or having tax increases, and he said they are both about the same. They take private money out of circulation that could be used to expand businesses and jobs.

And that brings a question that this body must consider. How big should the Federal Government be in terms of a percentage of gross domestic product? How fast should the expenditures of this Congress grow compared to inflation? We have been growing from 2 to 4 times the rate of inflation every year for the last 20 years. The elections of politicians to come up with new programs, to come up with pork barrel projects to take back to their districts probably enhances the chances that they are going to be reelected. So the tendency has been to have government grow faster than the economy, faster than the ability of the American taxpayer to pay, and certainly faster than what is good for us in terms of increasing taxes and debt.

Politicians, Members of Congress, Members of the Senate, the President have tended to say, well, we can expand government and not have it quite so visible in terms of the American worker digging into their pockets, if we pay for some of that increased spending with increased debt.

When I was first elected to Congress 10 years ago the debt of the Federal Government was four trillion dollars. Today guess what the debt is in just under 10 years? The current debt of the Federal Government is \$6.2 trillion. A 50 percent increase in 10 years. So we can imagine if we project that kind of debt increase for the next 20 years we are leaving our kids and our grandkids a tremendous indebtedness burden because we think the expenditures today are so important that it justifies higher taxes and more debt for our kids to pay.

I think there is a misunderstanding about debt. We have said we have paid the debt down. Actually, the total debt

of this country over the last 20 years has continued to increase, and so has the obligation of our kids to pay off our overzealous spending. I am a farmer from Michigan. Our tradition has been to try to pay off the mortgage on the farm to give our kids a little better chance. In Congress we are doing the opposite. We are increasing that obligation.

Tune in tonight to the special orders and we will talk more on the problems of going deeper and deeper into debt and the increased downside for the economy.

UNFINISHED BUSINESS

The SPEAKER pro tempore. Pursuant to the order of the House of January 23, 2002, the gentleman from Missouri (Mr. GEPHARDT) is recognized during morning hour debates for 30 minutes.

Mr. GEPHARDT. Mr. Speaker, I rise to urge the Republican leadership to address the unfinished business of the American people's agenda. The House has a lot of work to do and not a lot of time in which to do it. In America today millions of hard working families face challenges in their daily lives.

Since January, 2001, our Nation's economy has deteriorated dramatically and this House has failed to provide real relief to the families who need it most. We have seen the most anemic period of economic growth since Dwight Eisenhower was President. In 18 months the stock market has lost \$4.5 trillion in value. More than 2 million people have lost their jobs. A wave of corporate scandals has eroded people's fundamental faith in our Nation's free markets and scores of corporations have become bankrupt.

Consumer confidence dropped in each of the last 4 months and is at the lowest level since November, 2001. Our Nation's retirement security system has

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.



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