

Standard & Poor's 500 dropped 18 percent in the six quarters before the 2003 tax cuts. After, increased 32 percent over the next six quarters; before, down 18 percent; after, up 32 percent. That is a fact, not an opinion.

The economy, six quarters before the 2003 tax cuts lost 267,000 jobs. In the six quarters after, increased 307,000 jobs, and, as you well know, since then we have burgeoned by having 7.3 million new jobs since the middle of 2003.

What we have tried to do today is try to bring to the American people some truth, some facts as we talk about the budget that will have to be laid out here over the next month to 6 weeks, pointing out the remarkable fallacy of so many of the arguments that are used on the floor of this House to say that, well, we have just got to raise taxes. You have heard some of the Presidential candidates out there on the stump, saying, we have just got to raise taxes. In fact, some of my good friends on the other side of the aisle say just that, nothing we can do except raise taxes.

You know and I know that the truth of the matter is that when you look at how the economy operates, how the Federal Government gains revenue, that, in fact, decreasing taxes, maintaining the appropriate tax reductions, allowing the American people to keep more of their hard-earned money is exactly what is the prescription that is necessary for America and for the economy to continue to flourish.

So I look forward to working with my colleagues on both sides of the aisle. I look forward to a spirited debate. I think the question really is, when you get right down to it, the question becomes who ought to decide; who should decide how the American people spend their hard-earned money. Should it be the government? Should it be more government programs? Regardless of whatever area of the society you want to talk about, is it the Federal Government and State governments that ought to be making those decisions?

Or should it be, as I and so many of my friends on this side of the aisle believe, that those decisions are better left to individual Americans? They make better decisions about what to do with their hard-earned money when they are allowed to keep their hard-earned money and not have it rolled into the Federal Government as tax revenue.

I am pleased to be able to provide hopefully a bit of light, a bit of truth, a bit of fact for this Chamber, and deal with the issues that are coming before us over the next 4 to 6 weeks. I look forward to this discussion on this debate.

Mr. TIAHRT. Mr. Speaker, yesterday President Bush sent us his budget request for Fiscal Year 2008. This request includes his spending priorities for each federal agency.

I applaud his efforts to balance the budget by the end of the decade, and to do so without raising taxes on American families. I also

applaud his recent efforts to reduce the burden of agency guidance documents through the Final Bulletin for Agency Good Guidance Practices that was published on January 25th.

In addition to federal regulations, which are burdensome enough, the past decade has seen an explosion in "guidance documents" that are not legislated but have the same effect as regulation on American employers and can stifle their growth. As OMB itself noted:

The phenomenon we see in this case is familiar. Congress passes a broadly worded statute. The agency follows with regulations containing broad language, open-ended phrases, ambiguous standards and the like. Then as years pass, the agency issues circulars or guidance or memoranda, explaining, interpreting, defining and often expanding the commands in regulations. One guidance document may yield another and then another and so on. Several words in a regulation may spawn hundreds of pages of text as the agency offers more and more detail regarding what its regulations demand of regulated entities. Law is made, without notice and comment, without public participation, and without publication in the Federal Register or the Code of Federal Regulations.

In this spirit, I encourage my colleagues on both sides of the aisle to examine the agency budget requests not only with regard to fiscal matters but also with regards to how spending priorities affect our economic competitiveness.

Taxpayer dollars should be used to benefit the public good. Unfortunately, we have seen over and over again that—often with good intention—agencies instead use taxpayer money to impose and enforce regulations that literally strangle businesses and impede job growth.

Regulation imposes its heaviest burden on small and medium sized businesses because it is harder for them to handle the necessary overhead costs of paperwork, staff time and attorney and accountant fees.

Richard Vedder, an economist at the Center for the Study of American Business, finds that federal regulations cause \$1.3 trillion in economic output to be lost each year. This is roughly equivalent to the entire economic output of the mid-Atlantic region.

I have to imagine that processing this paperwork also requires a lot of agency time and reduces their ability to clean up the environment, provide better health care, improve labor conditions, make our transport systems more efficient, etc. If the government instead worked with employers to create a better work environment and a cleaner and safer nation, both sides could better accomplish their goals. The real winner would be the American people.

As we go through the budget and appropriations process, I hope that we do so with an eye towards keeping our nation economically competitive now and in the future. We should look for ways in which the government can better work with employers, and also for the best programs to fund to train our children and children's children for the 21st Century economy.

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NO BLANK CHECK FOR THE
PENTAGON

The SPEAKER pro tempore (Mr. TIERNEY). Under a previous order of the House, the gentleman from Tennessee (Mr. DUNCAN) is recognized for 5 minutes.

Mr. DUNCAN. Mr. Speaker, in an interview published yesterday by the McClatchy newspaper chain, Dick Arme, our former Republican majority leader, said he felt really bad about voting to go to war in Iraq. Mr. Arme said, "Had I been more true to myself and the principles I believed in at the time, I would have openly opposed the whole adventure vocally and aggressively."

It takes a big man to admit something like that. Chris Matthews on MSNBC on election night said, "The decision to go to work in Iraq was not a conservative decision historically" and said the President asked Republicans "to behave like a different people than they intrinsically are."

In 2004, William F. Buckley, Jr., often called the godfather of conservatism, wrote that if he knew in 2002 what he knew by 2004 he would have opposed going to war in Iraq.

Today, the Oversight and Government Reform Committee held a hearing on the subject of waste, fraud and abuse in Iraq. A couple of years ago the same committee, then under Republican leadership, held a similar hearing.

David Walker, now head of the GAO but then Inspector General of the Defense Department, testified at that time that \$35 billion had been lost in Iraq due to waste, fraud and abuse and another \$9 billion had just been lost and could not be accounted for at all.

I heard a talk by Charlie Cook, the very respected political analyst, who said people could not really comprehend anything over \$1 billion. But \$44 billion is an awful lot of money in anybody's book.

A Foreign Service Officer told me last year, a few months after he had left Iraq, that he sometimes saw SUVs there filled with cash with barely enough room for the driver.

Conservatives have traditionally been the strongest opponents and biggest critics of Federal waste, fraud and abuse. Conservatives have traditionally been the strongest opponents and biggest critics of wasteful, lavish and ridiculous Federal contracts. Conservatives, especially fiscal conservatives, should not feel any obligation to defend wasteful spending or lavish Federal contracts just because they are taking place in Iraq.

Ivan Eland, in the January 15 issue of the American Conservative Magazine, wrote this. He said, "Many conservatives who regularly gripe about the Federal Government's ineffective and inefficient use of taxpayer dollars give the Pentagon a free ride on their profligate spending habits."

Conservatives admire, respect and appreciate the people in the military as much or more than anyone. Conservatives believe national defense is one of the few legitimate functions of the Federal Government and one of its most important. However, this does not mean we should just routinely give the Pentagon everything it wants or

turn a blind eye to waste in the Defense Department.

The Defense Department is a gigantic bureaucracy, in fact, the biggest bureaucracy in the world. It has the same problems and inefficiencies of any giant bureaucracy; and conservatives, especially fiscal conservatives, should not give a free ride to waste, fraud and abuse just because it is done by the Defense Department.

Counting our regular defense appropriations bill, plus emergency and supplemental appropriations bills, plus the military construction appropriations bill, plus the end-of-the-year omnibus appropriations bills, we spend more on defense than all of the other Nations of the world combined. Yet the military, like all other bureaucracies, always wants more money.

Well, at some point, we are going to have to decide, do we want national defense for our own people, or are we going to be the policeman of the world and provide international defense for all countries that claim to be our allies?

With a national debt of almost \$9 trillion and unfunded future pension liabilities of many trillions more, I believe it is both unaffordable and unconstitutional for us to try to be the policeman of the world. We will soon not be able to pay Social Security and veterans' pensions with money that means anything, and all of the other things the Federal Government is doing, if we try to maintain an empire around the world.

Conservatives have traditionally been the biggest critics of interventionist foreign policies because they create so much resentment for us around the world.

Finally, Mr. Speaker, conservatives have traditionally been the biggest critics of nation building, as President Bush was when he ran for the White House in 2000. We need the more humble foreign policy he advocated then, or we need to tell the people to forget about their Social Security because we are giving blank checks to the Pentagon.

GENERAL LEAVE

Mr. PRICE of Georgia. 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 on the subject of my Special Order today.

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

There was no objection.

BLUE DOG COALITION

The SPEAKER pro tempore. Under the Speaker's announced policy of January 18, 2007, the gentleman from Arkansas (Mr. ROSS) is recognized for 60 minutes as the designee of the majority leader.

Mr. ROSS. Mr. Speaker, this afternoon, I rise on behalf of the 44-member-strong, fiscally conservative Democratic Blue Dog Coalition, as we demand from this Government fiscal accountability as well as fiscal responsibility.

Mr. Speaker, as you walk the halls of Congress, it is easy to know when you are walking by the door of a fellow fiscally conservative Democratic Blue Dog Coalition member, because you will see this poster as a welcome mat to his or her office to remind Members of Congress, to remind you, Mr. Speaker, to remind me, and to remind the American people and all of those who walk the halls of Congress, that the U.S. national debt today is \$8,696,414,214,377.65.

For every man, woman and child in America, their share, our share, my share of the national debt is \$28,900.92. That is a big number.

A lot of people think, well, it really does not matter what the debt is, our Government can simply print more money. I wish it was that simple.

Our Nation today is spending the first half a billion dollars it collects in taxes not to improve veterans' health care, to protect our troops, to build roads, to fund health care, to protect Social Security and Medicare, to ensure the 47 million folks without health insurance have access to it. No. The first half a billion dollars that we collect every day in taxes from the hard-working people in this country go to simply pay interest, not principal but interest, on this number, the national debt.

And those which should be America's priorities will continue to go unmet until we get our Nation's fiscal house in order. This is something that affects every man, woman and child in America. We have a plan, a 12-point plan for budget reform to ensure that we can live within our means, that we can pay down this debt and restore fiscal discipline and common sense to our Government.

One of those 12 points, by the way, Mr. Speaker, is what we referred to as PAYGO rules, which means pay as you go. And I am real proud that the leadership under this Democratic Caucus in the first 24 hours, not 100 hours, but the first 24 hours, the Democratic leadership reinstated PAYGO rules on the floor of the House. Which means, quite simply, if you want to fund a new program, you got to show us where the money is coming from.

Now the Republicans tend to think that that means that to fund new programs you raise taxes. I find it quite interesting that the Republicans think that PAYGO, pay as you go, means raise taxes to pay for new spending. It does not mean that. It means cut programs. It means make the tough choices to put an end to the waste in Government.

I got some 8,000 brand new, fully furnished mobile homes sitting at the airport in Hope, Arkansas, that were des-

tined for Hurricane Katrina storm victims but never reached them. That is \$400 million right there.

We are not talking about raising taxes to pay for a new program. But I can tell you what we are talking about, Mr. Speaker. We are talking about putting an end to the days of the Republican leadership borrowing money from China to fund a new program creating this large number, making it go up daily. It is still going up nearly a billion dollars a day under the Republican budget that was approved last year.

No more of that, Mr. Speaker. No more borrowing money from China to build a rain forest in Iowa. We are demanding that you show us how you pay for your projects and your programs. We are going to restore fiscal discipline and accountability to our Government.

This week, the President came out with his budget; and we will be visiting more about the President's budget during this hour.

But another thing that the fiscally conservative Democratic Blue Dog Coalition is doing is we have gotten together and we have written and endorsed what is referred to as House Resolution 97. And House Resolution 97, we have 39 cosponsors. It is providing for Operation Iraq Freedom cost accountability.

Put quite simply, we are demanding accountability on how your tax money, Mr. Speaker, and the tax money of the hard-working people of this country is being spent in Iraq. You ask 100 different people what they think about this Iraq policy, you will get about 100 different answers. You will find some Members of the Blue Dog Coalition that are for the surge, some are against. I am against the surge. I think the American people want us to go in a different direction in Iraq.

But one of the things that unites us as a coalition and the things that we have endorsed and that we have written and we are trying to put in place is House Resolution 97, which has four crucial points that demand fiscal responsibility in Iraq.

Point number one, a call for transparency on how Iraq war funds are spent. The American people are sending some \$9 billion a month to Iraq. That is about \$12 million an hour. And the American people in this country that work hard and pay taxes deserve to know how their money is being spent in Iraq.

Number two is the creation of a Truman Commission to investigate the awarding of contracts. It is time, Mr. Speaker, to put an end to war profiteering in Iraq.

Number three, a need to fund the Iraq war through the normal appropriations process. Play by the rules. No more of this so-called emergency supplemental appropriations to hide from the American people the true cost of the war.

Finally, number four, use American resources. This is America. We are the leader of the free world, and we should