By October of 2006, after four more refinancings, Mr. Howard's loan balance had ballooned to $238,000. Now, half of the increased debt came from $51,000 in points, fees, prepayment penalties, and negative amortization. So it really was all about the scam artists; in this case, a mortgage broker who wanted to churn. By getting him in and out of loans, he was able to make more money as a mortgage broker, and poor Mr. Howard, who could not read, went from having a $108,000 loan to a $238,000 loan. And as Mr. Howard said, the problem with the system is that the broker had no obligation to act on behalf of Mr. Howard's best interest.

So what does Wall Street reform do to help Mr. Howard and seniors across this country? Two things. It requires that they show a net tangible benefit to the client consumer and that that client consumer has the ability to pay. Now, those two tests couldn't possibly have been met for Mr. Howard by that mortgage broker.

So, as a result of Wall Street reform, seniors and Americans across this country are going to have recourse. And, in this case, Mr. Howard would be in a position to have that contract rescinded, have his costs, his consumer costs, be they attorney's fees or anything else, paid for, and have the opportunity to have that particular loan reworked in 90 days or less. That's the kind of benefit that accrues to seniors in the new reform.

The final area that I thought would be worth us spending a little time on is the other rights that benefit seniors, and that's the right to know that Wall Street bankers will not gamble away their retirement savings. Both Mr. DEUTCH and Ms. KILROY had spoken about the 401(k)s turning into 201(k)s. And as clever as that sounds, it's tragic when it happens, and it's happened to senior Americans across the country.

I'm going to talk to you about a senior citizen in my district. This is a real story of a senior citizen who spent his entire life as a doctor providing health care to those who did not have resources. He provided health care in a county hospital setting, and he made, you know, a good salary doing that. So he retired, had a comfortable home, had $1 million in retirement in his 401(k).

Now, he was using a financial adviser, one of the slick financial advisers that we've heard too much of over the last couple of years, much like the employees at Goldman Sachs who would sell a risky investment to someone but, on the other hand, would short it for their personal gain.

This particular constituent had the situation where his financial adviser was not looking out for his best interest. So, over the course of the financial meltdown, this constituent lost three-quarters, three-quarters of his 401(k). Now, that's just outrageous on so many scores, but particularly so when you're dealing with the 401(k)s of senior citizens who don't have the luxury of trying to find other ways of making up that money, don't have the ability to go back to work.

And our financial service reform is going to make sure that that particular activity of Wall Street gambling away retirement savings can no longer happen because we do have the standards put in place.

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

WHAT THE FEDERAL GOVERNMENT SHOULD BE DOING

The SPEAKER pro tempore (Mr. ADLER of New Jersey). Under the Speaker's announced policy of January 6, 2009, the gentleman from Missouri (Mr. AKIN) is recognized for 60 minutes as the designee of the minority leader.

Mr. AKIN. Mr. Speaker, I'll be right with you as we get our charts adjusted here and get started for the evening.

It's a pleasure to be able to join you this evening and to talk, once again, about subjects that are on the list of attention for many Americans, the kind of questions people are paying attention to, things that make people concerned, and overall questions regarding jobs and our economy.

And if you step back a considerable distance and get way outside of Washington, D.C., one of the things that you can see if you look over a long period of time is that there's a big debate as to what the Federal Government should be doing—in fact, that is kind of the main political debate—and should the government be doing a whole lot of things or should it be doing a smaller, limited number of things.

We have just heard over the previous 40 or 50 minutes from the Democrat Party, and they were very excited about all the things the government was doing. The government was involved in all of these handouts to different people and the different ways of trying to show compassion, and so they were very interested in seeing that the Federal Government was involved in a whole lot of different things.

There's a different perspective on that, and that is that the Federal Government should be involved in a smaller number of things and that, in fact, the government should be limited, the Federal Government should be limited. We should leave a lot of things to the State government, and local governments also should be taking responsibility. The Federal Government should not be the big mother giving everybody whatever they want. And so this debate goes back and forth as to what should the Federal Government be doing.

Now, if we take a look, there are some things we could learn from history. We do recall that there was a very famous, well-known nation that you've heard of, read of many times, and they had the philosophy that it was the job of the government to provide these basic necessities to their citizens. They believed the government should provide food and a place for people to live. They believed that the government should provide education and that the government should provide health care to the citizens. After all, if you don't have health care, you'll get sick. And they also believed that the government should provide jobs for their citizens. And so that nation operated under that principle that the Federal Government should be providing food and clothing and a place to live, education, health care, and a job.

□ 2015

Yet we watched that nation. It was a big threat to America, and over a period of time, it totally collapsed. The wheels fell off of it. And the nation doesn't exist anymore. It used to be called the Union of Soviet Socialist Republics. We in America in the meantime looked at their nation, and we said their economy is a mess. They don't know what they are doing. The Federal Government cannot afford to be giving all things to all people, and it is much better for the private sector to run the economy, for the Federal Government to be limited and just focus on the things that it can do well.

So this is sort of the source of the large debate today, What is it that the Federal Government should be doing? And of course the problem with the Federal Government doing too much is pretty soon you run out of money. That is what we are starting to see all over Europe and the governments in Europe, but as well in our own government, particularly over the last year and a half.

Now, we have just heard comments from the Democrat Party talking about the fact that the financial and economic crisis that we have experienced was the result of Wall Street. It was all Wall Street's fault. Unfortunately, their memories are selective. The fault lies more than anywhere else here in Congress. This was a government mistake. Republican and Democrat economists saw this thing coming, they saw it a long distance away, and politically we did not have the will to deal with it and solve the problem.

How did this all happen? Well, we came up with a nifty idea a good number of years ago that it would be a nice thing if people who were very bad investment risks had the opportunity to buy their own home. And so what we demanded was that banks had to make loans to people who were a poor credit risk. So we said you got to make a certain percentage of your loans like that. So the banks are going, boy, this doesn't seem like a very good idea. You are demanding that we make loans to people who probably can't pay back their loan.

I don't know how you could try to say that that's a compassionate thing to do. I don't think a family that has a loan that's too big for them to pay and that constantly is missing their mortgage deadlines and eventually gets evicted from their house, somehow that doesn't impress me as a picture of

compassion. But that was the desirable thing. And so we put that into the different regulations and the government mandates, and we created Freddie and Fannie, two quasi-public, but really private, firms which made a big business in home loans. They gave good prices to people, and through the years Americans had many of their loans put into Freddie and Fannie. But what happened was the very last year of the Clinton administration, they kicked up the percentage of loans that had to be made to people who were bad credit risks.

So we are starting to create a bit of a problem because what happens when all the bad credit risks don't work? Who is going to pay? Well, the implied payer was, you guessed it, the poor old taxpayer. And so we see Freddie and Fannie moving along, and through a series of other circumstances, particularly Greenspan's keeping the interest rates low, the liquidity high, we see this big bubble in real estate bubbling right on up. From when I first came to Congress in 2001, the housing prices almost doubled in about 5 years. And you thought, boy, was I silly not to have bought a house, because if I would have bought a house it would have doubled in price. And then ker-pow, the bubble pops. When that happens, now all of this mischief that was created by Freddie and Fannie making bad loans starts to come due.

Was this something that people understood? Yeah, there were people smart enough to see it coming. In fact, President Bush saw Freddie and Fannie, saw that they were in serious financial trouble, saw it was going to be a tremendous hit on our economy and asked the U.S. Congress for authority in the very smallest ways to regulate Freddie and Fannie. And that you can find documented in that great conservative oracle The New York Times. Take a look at September 11, 2003. This is 5 years at least before the big collapse of the economy.

He is requesting permission from Congress to regulate Freddie and Fannie to take care of this problem that the liberal Democrats created, that is, making loans to people who couldn't afford to pay them. Now, they were assisted in this mischief also by different ratings firms like Standard & Poor's, who rated these different instruments that were created with these loans as AAA rated, which of course is a scam: they weren't. And the idea that Wall Street had was that if we would take one bad loan and we put it together with a thousand other bad loans that we have enough diversity that all these bad loans will not be bad loans, which was of course a bad assumption. Anyway, you know the story.

The Republicans passed the bill to get more control of Freddie and Fannie. It went to the Senate. The Republicans, while they were in the majority, never had 60 votes, and the bill died over in the Senate because the Democrats refused to support it. In the meantime, the gentleman who is now in charge of fixing some of these economic problems was saying there is nothing wrong with Freddie and Fannie. And Freddie and Fannie had a great lobbying team, ran around the Hill here in Congress giving away hundreds and hundreds of thousands of dollars in PAC contributions.

So first of all, let's not say that it was Wall Street that created this economic crisis. Let's go back to the fact that it was ACORN, that it was loans that were made to people who couldn't afford to make those loans, it was loans that were put into Freddie and Fannie and ended up the tab now being picked up by, you have got it, your grandchildren and your children. So that's where we are.

Now, the big question is if we are going to give all this money away to different people the way that we have been doing for the last year and a half, how are we going to pay for it? Somebody once said the trouble with socialism is that sooner or later you run out of other people's money. Well, so what've we been doing? Well, the last year and a half, boy, we've been doing some spending. But one of the things that anybody who runs a business knows is you got to have some kind of a budget. You have to have a plan as to where you are going so that you can somehow balance how much money you are spending with what's coming in. You have to have some sort of a sense of where you are going. You don't want to just float from month to month not knowing what you are doing.

And so if you are going to have any kind of decent management in a business, you need to have a budget. Now, some families run without a budget, but to some degree what they do is they just take the money that's coming in, put it in the bank, and then they can take the money out until they run out, then they know they got to stop spending until the next month. But there has to be some kind of a plan of how you are going to proceed economically for any kind of a good management.

I don't think there is hardly anybody that has stocks and bonds or whatever, or traded on Wall Street, that doesn't have a budget. And of course the Congress needs to have a budget too. In fact, the Democrat whip, STENY HOYER, made this statement: he said that enacting the budget was the most basic responsibility of governing. The most basic responsibility, according to STENY HOYER, was that we have a plan. Now, I agree with STENY. I do think having a budget is very, very important. You have got to have that.

He was joined by Congressman SPRATT, who is the House Budget Committee chairman. And he was even more specific: If you can't budget, you can't govern. He said that in 2006. So the Democrats, like the Republicans, are recognizing that you have got to have a budget. You have got to have some kind of a plan. If you don't, you are going to start really getting off the track economically.

So, we then find this rather surprising article in The Hill newspaper just April 14, 2010: ''Skipping a budget resolution this year would be unprecedented.'' Wait a minute: ''Skipping a budget resolution this year would be unprecedented.'' In other words, we don't have a budget? You got it right. We don't have a budget this year. We don't have a budget. Any other business has to have a budget. Do we have a budget? No. ''Skipping a budget resolution would be unprecedented. The House has never failed to pass an annual budget resolution since the current budget rules were put into place in 1974.''

We have never not had a budget resolution since 1974. So we are setting a record this year. We have got no budget. No budget. First time that's happened since 1974, according to a Congressional Research Service report. That's the research branch that works for everybody in Congress.

So we have just marched off the edge of the economic world. We have decided rules don't apply to us. We have good intentions. We are going to have the Federal Government be all things to all people. Let's spend some money. Let's take care of everybody we want to take care of. And, hey, about this deal about having a budget, let's not have a budget because, you know, somebody could really beat you up if you had a budget.

I am joined by a good friend of mine, Congresswoman LUMMIS. I don't know if you would like to take a minute or two to make a comment. I would be delighted to have you join us.

Mrs. LUMMIS. I thank the Representative from Missouri and look forward to the opportunity to join you this evening. I am a member of the Budget Committee. And last year we had a lengthy budget debate in the committee, it was very robust, to discuss possible amendments to the budget. And even though the majority of the Republican amendments to the budget were not passed, we did pass a budget. It was over the ''no'' votes of the Republicans. However it fulfilled a duty of this body to pass a budget.

At $3.6 trillion, it was the largest budget in the history of the United States. President Obama this year proposed a $3.8 trillion budget. At a time of recession, he proposed a budget that was $200 billion larger than the budget the year before. And the budget the year before included some astronomical increases, such as a 39 percent increase in the budget for the Environmental Protection Agency.

Well, as you can see from a full day of hearings that were held today in the House Natural Resources Committee, that additional 39 percent increase in one agency's budget in 1 year, as now applied in the Gulf of Mexico to the oil spill, has not yielded the kind of efficiency that we expect from government.

The United States is in charge of this cleanup. The President of the United

States is in charge of this cleanup. And on occasion he has dispatched members of his Cabinet, members of the Coast Guard, members of other agencies to involve themselves in the cleanup. But the fact that they increased their budget 39 percent in 1 year has not contributed to the coordination efforts of Federal agencies in cleaning up the gulf.

Mr. AKIN. I would like to reclaim my time for just a minute. I really wanted to inquire of you about some of these numbers that you just said, because I am not on the Budget Committee. And I was kind of shocked in a way. We haven't not had a budget since back in the 70s, and that was just since we put this current budgeting process. And we've always had a budget, and yet this year we don't have a budget, and we are spending money at a tremendous pace.

Is the rapid rate of spending, is that part of the reason we don't have a budget, because we are just so embarrassed we are spending so much? Is it because by putting a budget down it acknowledges the complete fiscal irresponsibility that we have started down that path? Do you think that's what it is? Or is it just we can't figure it out? Why don't we have a budget?

Mrs. LUMMIS. I thank the gentleman for the question. His question is very relevant because Republicans are asking the same question. Our chairman of the Budget Committee, JOHN SPRATT, is an honorable man, and we have pursued with him frequent efforts to encourage him to convene the Budget Committee for purposes of passing a budget.

Normally, the Budget Committee passes a budget by April 15. That's part of the traditional process of this House. And that budget sets the ceilings or the parameters by which the Appropriations Committee will act during its efforts to vet the line items within the budget, meaning really going through the budget carefully, deciding what to spend money on, what the priorities of Congress are this year.

So it is unprecedented, as Mr. AKIN pointed out, for this Congress not to consider a budget. And here we are at the end of May, fully 45 days into the period of time during which we normally have a budget for the Appropriations Committee to work with; and, Mr. AKIN, we do not have a budget. And it is becoming more and more apparent every day that the Budget Committee will not be convened.

□ 2030

I am certain that JOHN SPRATT, who is the chairman of the Budget Committee, finds this painful. But I am also of the impression that the leadership within his party has encouraged him not to convene the Budget Committee out of concern that passing a $3.8 trillion budget, the budget as proposed by the President, would set a tone for this election year that Democrats don't want to face up to. They don't seem to want to face up to the fact that we are at over $12.9 trillion in debt.

Mr. AKIN. Let me just stop you for a minute here, please, because I would like to try and get these numbers figured out a little bit. Of all of the different complaints I heard about President Bush, the one that I think I heard the most was that he was spending too much money. I think the people didn't like the fact we were at war in Iraq very much, but I think particularly they were worried that he was spending too much money.

And so I guess his last year in was 2008, and that was when the Pelosi Congress was here. And that was his worst amount of deficit spending that he did, which was about a $470 billion deficit that year in his spending. Now, that wasn't good; that was about 3.1 percent of gross domestic product, and that was his worst spending, and he was spending too much, and some of us said, yes, he was, and we didn't vote for some of the spending.

He was followed by President Obama the next year, which is 2009, and the amount of deficit there was $1.6 trillion, that is three times more than Bush's worst year. And, boy, were we doing some spending. Then we went from 3.1 percent of GDP all the way up to 9.9 percent GDP, and so we just rocked into this. I will tell you, President Obama made George Bush look like Ebenezer Scrooge.

Mrs. LUMMIS. Yes. Recall that President Obama, since he took office, will double the debt in 5 years, triple it in 10 years. This is absolutely unsustainable.

When the Budget Committee met with Mr. Orszag, who is the director of the OMB, the Office of Management and Budget, we asked him if this budget was sustainable. In other words, if there are adequate revenues being collected to pay for the budget that we have passed. And Mr. Orszag acknowledged that there are not.

We cannot do that. Yet we do it year after year after year.

Mr. AKIN. The thing that has, I think, other Americans, and myself included, concerned about, is you keep going out into this uncharted territory where we are spending more and more and more money that we don't have, and America is banking on our good credit. We have nations like China who buy our Treasury bills because the Chinese are very good at saving money, and they are taking their savings and buying our Treasury bills.

You wonder how long can we keep spending money on all kinds of pension and welfare programs and feel-good programs and reward-people-for-not-working programs and food stamp programs, and all kinds of other things that may be nice? How long can we continue to borrow other people's money to do that before it comes time to pay the fiddler?

When we do, what is that going to look like? That is kind of a scary thing. This is a chart of some of these absolutely amazing items of spending. This is the Wall Street bailout at $700 billion. You have got the economic stimulus bill—I think it's closer to $800 billion, finally, which wasn't a stimulus bill at all; it was just paying various States that had exceeded their budgets so they could keep paying generous pensions that they can't possibly afford to sustain.

Then you have got the appropriations, Obama appropriations and the IMF bailout, and now you have got the big health care thing. They are claiming that's a trillion. I think we will be lucky to get away with it only been being a trillion.

You put all of this stupendous spending together, and the bottom line is they don't want to have a budget because they don't want people to see that we are really pushing the edges on things.

I have a chart here that I think is a little bit spooky. I don't know if you can see it from where you are standing, but this is debt and deficit as a percent of gross domestic product.

What I have got here, this is deficit as a percent of gross domestic product. The deficit that we have in the United States, as a percentage of GDP, is 10.3 percent. You take a look at Greece here and their percentage as a deficit of GDP is about 9.4 percent. Now Greece is about to crash the European Union because of their crazy financial situation, their socialized medicine and all. They can't make it work.

And so deficit as a percentage of GDP is 9.4, and here we are at 10.3. That doesn't make me feel comfortable that we are worse off than Greece is. Then coming across on the chart, debt as a percent of GDP, our debt is 90.9 percent of GDP. Greece is worse at 130, but Greece and Italy are the only two nations of Europe that are worse off than America is.

So these numbers don't give us cause to be very comfortable with our economic situation. I am wondering whether that's not the reason why the Democrats don't want to put a budget in front of people, because they are going to realize somebody is going to get wise that we are just blowing the lid off of any kind of economic sanity by our excessive spending.

Mrs. LUMMIS. It was not 3 weeks ago that the United States had a sale of the U.S. Treasuries that was undersubscribed, which means there were not enough purchasers of our debt for that particular bond issue of U.S. Treasuries that day, which is to say that in order to attract buyers of our debt, we are going to have to pay a higher interest rate to the people who are willing to lend us the money, which is to say that our interest rate payments are going to go up, which means a larger portion of the annual Federal budget will have to go towards paying the interest on our national debt, which is to say that it is a potential trigger for inflation.

Inflation is a job killer. We have asked the Japanese, who had a period

of time in the 1990s called the forgotten decade, how we can avoid, in the United States, having a forgotten decade? They have told us, don't raise taxes during a recession.

So we are in a conundrum. If we raise taxes, we will increase the length of the recession, potentially. If we don't raise taxes, the deficit will grow, potentially leaving us, in my opinion, with one good choice. The good choice is to cut spending. How does this Congress cut spending? This Congress has never cut spending.

I am delighted to be a Member of Congress at a time of economic turmoil because I come from the State of Wyoming.

Wyoming is a State where we have had boom and bust cycles because of our dependence on the economies of oil, gas, and coal. As commodities go, the State of Wyoming goes. When I was a Wyoming legislator, I experienced both a boom and a bust cycle, and what we had to do was reduce spending.

Recently, the Wyoming Legislature reduced spending to the tune of over 10 percent. In Wyoming, it is customary to adjust to these types of belt-tightening, and expenditures during times of largesse.

So when we have money, we have invested in the University of Wyoming, invested in the bricks and mortar of our K–12 system, invested in our technology, in our economy. Yet, when we have to tighten our belts, we do it across the board. You know, it's not the best way to budget. We in Wyoming acknowledge it's not the best way to budget.

But I do believe that if we could cut spending across the board, domestic spending, that is, we would have an opportunity to reduce those expenditures. But I would also acknowledge that without addressing the entitlement situation we can never get a handle on our budget concerns.

That is why I commend, to the attention of everyone within earshot, a plan that was developed by PAUL RYAN, the ranking Republican member of the Budget Committee. It can be reviewed at www.americanroadmap.org. It provides the path, the glide path, towards our economic recovery without raising taxes. It takes a long time, it's not without pain. There are, as PAUL always likes to say, sharp knives in the drawer.

But, nevertheless, it does it in a responsible fashion, without raising taxes, and addresses, long term, the consequences of overspending and of our potential of becoming a European-style social democracy and a culture of dependency.

Mr. AKIN. Well, I very much appreciate the expertise that you bring from Wyoming. The idea of cutting spending here, that's got to be the closest thing to a swear word you can say in Washington, D.C., the idea of cutting spending.

Yet I just heard less than an hour ago the Democrats just raving about the wonders of Social Security and their Medicare and Medicaid programs, the three major entitlements, all of which a Democratic economist, a Republican economist, all agree that they are on a train-wreck path in a fairly short period of time. Because these entitlements are just like starting a robot, some machine that gets going. You create the law, the law gives out money to people, and it just runs. If you don't touch it, it just keeps giving out money.

And the trouble is, it's giving out more money than we have. What's going to happen is you are not going to have anything to spend any money on for Defense or any other program because Medicare, Medicaid, Social Security, will eat the entire budget up.

What you are saying is correct. We need some of that common sense that says, wait a minute, we just can't keep running more and more and more government giveaways.

It gets back to the question, do we really want to follow the model of the Soviet Union down the primrose path into just economic collapse, because we know it didn't work. It's not working well for Europe, and we know what the models are that make for a prosperous and healthy and good economy.

And it's what you are saying; one of the main things you have to do is to cut taxes. The interesting thing is that the Democrat, JFK, figured that out. He cut taxes because we were in a recession. He cut taxes and found out a very fascinating thing: That the recession stopped, the economy got stronger, and he actually collected more tax revenues with a lower tax rate. It seems like it's like making water run uphill, but it's not.

What happens is you have more economic activity. Because of that there are more taxes that are generated because there are more transactions and, therefore, the government actually raises more money by cutting taxes. JFK figured it out. Ronald Reagan did the same thing, and it worked like a champ for him, and George Bush did the same thing. He did some serious tax cuts and moved us from recession to recovery.

Because he understood this basic principle: There are certain things that are job killers, and one of the worst ones is excessive taxation. Why is that true? Well, because, the people who make jobs are businesses, and the business people have to have some of their own money to plow back into the business to put a new wing on a building, to buy a new machine tool, to start a new process, and to get a new plant going somewhere.

They have to have some money. If you tax it all away from them, then they are not going to have money and they can't make jobs. FDR found that out the very hard way. They kept driving and driving and driving the taxation of business owners. Instead of just creating, business owners that were hiding and hunkered down inside their businesses—they closed them down. The businesses closed, and all the employees were laid off.

Mrs. LUMMIS. One of the great ironies of being a freshman in Congress is you see who people quote. It is so ironic that we Republicans, as Mr. AKIN and I are, frequently quote JFK. JFK never disavowed American exceptionalism.

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He acknowledged American exceptionalism and he harnessed American exceptionalism. And it is fascinating that we find ourselves frequently returning to his speeches, as Republicans, to review the importance of American exceptionalism in stimulating the economy and growing the economy and acknowledging what Ronald Reagan acknowledged, that we are a shining city on a hill and that we are to be emulated, but only to be emulated when we deserve to be emulated.

And it is at this time in our country's history when we need to review those great leaders and our great Constitution and the Declaration of Independence and our founding principles in a manner which provides the roadmap to our future. And, indeed, it does.

When we return to our Constitution and our Declaration of Independence, we are reminded that we were endowed by our Creator with certain inalienable rights, not by our government, by our Creator, and that we chose and consented to be governed and that we chose and consented to be governed pursuant to a Constitution that provided limited obligations to the Federal Government and reserved the remainder of the rights to the States and to the people. If we in Congress would vet bills pursuant to that model, we would return to that shining city on a hill and we could turn over to our children and grandchildren the Nation that we inherited from our parents.

It is stunning—and Mr. AKIN has seen these numbers—that people in America today, when you ask them, Do you have a higher standard of living than your parents, acknowledge that indeed we do. And then you ask those same baby boomers, Do you believe your children will enjoy a higher standard of living than we do? They say no. They're concerned. They see a path, a pattern, a culture of dependency forming.

But I'm convinced that this year being another election year and another opportunity for government of the people to rise up, to take control, and to consent to being governed in the way they wish to be governed, that we will see an opportunity next year to return to government of the people and to our founding principles.

Now, Mr. AKIN and I both know that that will all be for naught unless those who are in a position to govern next year take seriously the messages of the people of this country. And I can assure you, based on what I have heard as a freshman Member of Congress, that

we will indeed take seriously the messages of the people in this country and that we will restore for the American people our first principles and that we are going to be able to be a strong, vibrant country and proud to hand the reins to our children and grandchildren.

I yield back.

Mr. AKIN. Well, I very much appreciate the little history lesson and also the shot of inspiration that you have shared with us, the idea of the shining city on a hill.

I think that there are a lot of people that can be quoted. I'm thinking of good old Alexis de Tocqueville, a Frenchman who traveled around America, took a look at our system and said he looked for the secret of America's greatness. And he had a great quote along those lines, but one of the things he said was: You have a weakness in America, and that is, if the public realizes that they can vote themselves largesse out of the public treasury, you're really going to be in trouble.

There's another name for that. It's called socialism; the idea that voters can demand the Federal Government to keep giving them more and more stuff. The problem with that system is that eventually you run out of other people's money. That was one of the great weaknesses that Alexis de Tocqueville saw with our system, that because we are a self-governing people, because people have the right to vote, they can also make irresponsible votes and they can perpetuate a socialistic system.

A lot of Americans don't really know what socialism means anymore. They don't understand that the concept of American law was that people are all equal before the law, that Lady Justice is not supposed to give a special deal to a rich person or a poor person or anybody else, that people are all equal before the law.

The Pilgrims experimented with socialism. It was demanded of them by the agreement that they made with the loan sharks of London that financed the expedition to send the Pilgrims to America. So it was forced on them and they agreed to it, to have everybody take all of their corn that they grew and everything they produced over at the new colony in Plymouth and divide it equally and then send the shares back to London.

Well, that lasted less than about a year or so. And Governor Bradford saw everybody starving to death, and they pitched socialism, and he wrote in ''The History of Plymouth Plantation,'' he said: As though men were wiser than God. And he said: This is an experiment that's been tried among godly, hardworking people, and everybody can take a look at our example and see that this isn't going to work.

So the Pilgrims understood it. Unfortunately, our Congress today doesn't seem to understand it, and that's why you see these kinds of things.

Here's the Federal Government employment numbers. We're trying to create employment. Well, that's one way to do it; go hire everybody. What's the trouble with this theory? Well, every time you hire somebody in the government, you lose two jobs in the private sector. So now after we've passed this wonderful stimulus bill—which we were told if we didn't pass it, unemployment might get to 8 percent. We're now close to 10 percent unemployment, and we continue to do the very things which kill jobs, particularly worst of which is taxation.

But this is an alarming trend as well, government employment going up. And I think a recent study just indicated that the average government employee makes twice as much money as the average civilian employee in America. That is not a good trend, because pretty soon everybody is going to be working for the government—that's not very hard to break that equation—and then who's going to be paying?

I see my good friend, Congressman GOHMERT from Texas, coming to bring us a little bit of Texas wisdom, perhaps.

LOU, would you join us, please.

Mr. GOHMERT. Thank you for yielding.

Actually, I was going to bring a bit of John Adams' wisdom because, to follow up on my colleague's wonderful quotes and references to history, John Adams, toward the end of his life, said: The longer I've lived, the more I've come to understand that one worthless man is a shame, two is a law firm, and three is a Congress.

I yield back.

Mr. AKIN. Hey, let's do that one again. One worthless man is a shame, two is a law firm, and three is a Congress. Congress was smaller in those days, I suppose.

Well, thank you for that bit of Texas wisdom.

Here's another chart that runs along with it. This is private sector employment, government employment. You can see what's happened here. We're doing some employment, all right. It's the government that's doing the employment. But you take a look at the blue line—this is the private sector employment—you see jobs going down like a submarine. And that isn't just a statistic, that isn't just a fact, that is suffering—suffering in our economy, suffering with lots of people who don't have jobs, a lot of younger people moving back with their parents. The house is full of people because we're having trouble with not having the jobs.

Now, what kills the jobs?

Well, first of all, excessive taxation is a big deal. Insufficient liquidity is another problem. Our banking regulators are so tough that it makes it very, very hard for businesses to get loans. A third big job killer is economic uncertainty. Boy, oh, boy, do we have some of that. Who knows what we're going to do next.

We just passed this socialized medicine bill, and everybody who has employees is going to get whacked for having employees. There's a huge incentive we've created to get rid of any excessive employees on your budget because you're going to get taxed heavily for socialized medicine.

And then, of course, the old standby. If you can't get them with too much taxes, no liquidity, and uncertainty, then you hit them with red tape and government mandates.

You put this together, and you've got a great formula to destroy jobs in America, and we have been doing this in a massive kind of way.

Here's kind of a list of some of the Obama plan taxes:

Cap-and-tax. That's that tax on energy. Do you remember how the President said, I'm not going to tax anybody who makes less than $250,000? And then he comes up with this deal, that you get taxed when you flip your light switch. I don't know how in the world you can keep those two things separate, that you're going to only tax people making $250,000, and then nail them with a tax when you flip your light switch.

Did you want to make a comment? I would be happy if you want to jump in, Congresswoman.

Mrs. LUMMIS. Thank you, Mr. AKIN.

Would you be so kind as to pull the chart up that you have behind you, the one that displays what has happened to private sector employment versus public sector employment?

As you can see from the chart, private sector employment is an upside down U, in that in the year since the majority party has switched hands and Democratic control of Congress has been in place, we have seen private sector employment decline dramatically. At the same time, we have seen public sector employment increase to the tune of about 188,000 public sector workers increase. At the same time, we've lost about 12 million private sector employees.

Now, I have a bill that I believe will begin to address this serious problem that we see with regard to employment. It is the Workforce Reduction Act, but it does it without firing anyone. It does it through attrition. The bill provides that for every employee who vacates a position due to retirement or moving on, that that position would be moved into a position pool. In fact, for every 100 retirements that occurs in the Federal Government, 50 positions would be moved into a position pool, the other 50 positions, vacant, would be eliminated. And then agencies would need to apply for reinstatement of a position based on necessity.

Those agencies who critically need employees, such as possibly the Minerals Management Service, in its enforcement functions in the Gulf of Mexico, would be likely recipients of employees in order to meet the obligations of the Federal Government to protect our borders with regard to the encroachment of oil that is seeping into the Gulf of Mexico. For other positions which are less mission-critical, those agencies would downsize.

Now, this is not going to be dramatically harmful to Federal agencies because, as I said, since the Obama administration took office, 188,000 new Federal employees have been added, and this excludes people that were hired pursuant to the decennial census. Consequently, we know that somehow we survived without these employees prior to President Obama taking office.

Mr. AKIN. Reclaiming my time, all of these things are really indicators that we've got a Federal Government that is out of control. We're hiring too many Federal employees, spending too much money. We don't even have a budget for the first time since the seventies. This is not a good picture.

Congressman GOHMERT.

Mr. GOHMERT. Well, I appreciate you yielding, and I appreciate the gentlelady mentioning the Minerals Management Service. I know she was present for hearings today that the Director of the MMS was testifying. We had the Secretary of the Interior for a while testifying and his Deputy Secretary testifying. We had a Coast Guard admiral testifying. But I'll tell you what, after hearing the testimony about MMS, I'm very concerned that adding more jobs there is just creating more problems. There is so much mismanagement, so much impropriety, it sounds like, that that would be a disastrous mistake to add to the MMS.

But let me point out, as the Director of the MMS testified, they have decided that the MMS would be better nonexistent, so now they're dividing it into three different groups. And you talk about Texas, back home, if you have a pond that has become stagnant and it has begun to stink and become rancid, it doesn't matter how many ways you divide that pond, it still stinks. And they're not going to address the management problems. They're not going to address the fact that—and get this, the only entity within the Minerals Management Service that is unionized—and if we were out somewhere else I might expect a drumroll—but it is the offshore inspectors, the only entity within MMS that's unionized.

And we come to find out that as critical as those offshore inspectors were to protecting our country, to protecting our environment, to protecting all of those thousands and thousands and thousands of livings that were gained off of the coast area, the protection was an appropriate offshore inspector. And yet when I asked the Director of MMS was there a good way to have a check or balance so that somebody ensured the offshore inspector was adequately doing their job and making sure that when they finally bothered to go out and watch a blowout preventer be tested that somebody made sure they were really doing their job because, as I'm sure you all know, there's an investigation currently going on about some of the gifts and perks and things that were provided by peopl being inspected to those doing the inspection.

□ 2100

Well, how do you guard against improprieties?

The director said, Well, we had a system that fixed that. We had two offshore inspectors who would go out at the same time to an offshore rig. That way, they could kind of watch over each other's shoulders and make sure they were doing the right thing.

So my question was then, Would it have been a good idea that the last inspectors that you sent out—a union team that went out to the Deepwater Horizon rig, who were ordered to watch each other and to carefully make sure that they did their jobs—were a father and son union team?

She was not able to comment because that was under investigation.

Folks, we've unionized people, which means there are going to be restrictions on how much travel they can do and on how many hours they can spend, and that's normally part of the union contract. There are some areas in the country where we need unions to make sure that things are done fairly; but we're talking about the government, our United States Government that is supposed to protect us. I mean, these guys out there are protecting our lands, our livelihoods. It's almost like the military. They're on a mission.

Can you imagine if the military were unionized and if they said, We'll only work so many hours a day, and we're going to restrict the amount of travel we're going to be able to do. What kind of union contract would you get for the military? The offshore inspectors and the MMS are supposed to be protecting us and our country.

I yield back.

Mr. AKIN. I'd just like to jump in if I could, gentleman.

I'm detecting a certain level of skepticism on your part whether or not this government agency was really very effective in protecting us and in preventing a massive environmental mess. I guess the question I have is—you're suggesting that maybe a government agency isn't that reliable. Yet we just trusted the government with all of America's health care. Does that make you feel comfortable now that you see how the government is working in the MMS area?

Mr. GOHMERT. Actually, I'm not just skeptical of the MMS. I'm telling you it's a disaster. It was a disaster with MMS, and it was a disaster that their performance was allowed to happen.

We're going to find out there is somebody responsible—maybe one, maybe many—at British Petroleum, but we know for sure—and it came up in the hearing today as well—that the President had previously mentioned that he wanted to end the coziness between inspectors, or people with the government, who were supposed to manage the oil companies and make sure they were doing the right things, the Big Oil companies.

So that inspired some double-checking. We had hearings before about the 2 years, 1998 and 1999, during which the Clinton administration had employees who pulled the price control adjustment language out of the offshore leases. Originally, I was thinking it cost millions. It cost hundreds of millions, and now there are billions of dollars that have gone to Big Oil that should have gone into the Federal Treasury.

When we had a hearing a couple of years ago about that, I asked the Inspector General—and this was a Clinton——

Mr. AKIN. Appointee.

Mr. GOHMERT. Appointee. Originally, he was the Inspector General. He is now in another capacity.

I asked him, Did you not interview these two people who had the most knowledge about why that language was pulled out?

He said, Well, they left the government. They're not with the government, so I can't do anything about it.

He could call them. He could see if they wanted to talk. He didn't even bother to do that.

So, after the President's comment about the coziness, I had to go back and check. Whatever happened to those two people the Inspector General couldn't talk to?

Well, one of them, when she left the Clinton administration, went to work for a company called British Petroleum. Perhaps you've heard of them. She had three major officer/director positions with British Petroleum, but as of June of last year, Secretary Salazar and this administration hired her to come to work for the Minerals Management folks, so she is now——

Mr. AKIN. So, when we're talking about a cozy relationship here, it's very cozy.

Mr. GOHMERT. It's very cozy.

Mr. AKIN. So Obama's person in charge, Salazar, who is in charge of this thing, basically hired somebody out to basically do this oversight?

Mr. GOHMERT. Who had been working for 9 years for British Petroleum—that's correct—in high capacities. So it's interesting to hear about that cozy relationship.

Mr. AKIN. What was her name, gentleman?

Mr. GOHMERT. Her name is Sylvia Baca, B-A-C-A.

It was interesting, though, to learn—and I didn't really realize this—but nobody with the Minerals Management Service goes through a confirmation process in the Senate. This is completely an extension of the White House. Whatever the administration is, the Minerals Management Service is part of the administration. The Congress has no authority to confirm, to say ''yes'' or ''no'' to somebody who is appointed. This is an extension of the President's own hand, his running the Minerals Management Service; and we have absolutely got to clean house. The trouble is it's not our house. It's the President's house and that of the Minerals Management Service.

Mr. AKIN. As to my understanding, doesn't the law require that the President in a major environmental disaster like this—I've been told that the Federal law requires that the President take charge of the situation.

Has he been down there basically running it and calling the shots?

Mr. GOHMERT. I understand he has been there, but as some of our friends from Louisiana have pointed out—and Governor Jindal has been fighting the President through the MMS and through his responders—they gave full authority to British Petroleum to make all the calls. So the Louisiana folks, the people along the gulf, who are wanting to mitigate and who are trying to get protection and protect themselves, had to get permission from British Petroleum, which was not giving it.

We heard in the hearing today that there were people in Louisiana, along the gulf, who wanted to build barriers to this oil coming in. Yet all we heard from the administration's representatives was, Well, we're still discussing those to see—we're worried that could end up creating more problems than it solves because when they build the little barriers to the oil coming into those marshes, it might actually pull more oil in.

They're discussing it. The oil is in the marshes. It's killing animals and killing wildlife right now, and we heard today in the hearing that they're just discussing it, and they're trying to figure out if they may do more good than harm or if they may do more harm than good. It's outrageous what's going on.

The President does need to take charge. It is a disaster of massive proportion. British Petroleum is at the helm, but the White House should not have given them the authority to just make all the calls. It's unbelievable the disaster that occurred and now the disaster that is being created by the failure to respond.

I asked the admiral in charge of the Coast Guard, you know, How many ships have you moved into the area in the last 37 days? They've moved four major boats into the area. That's it. That's it. We could have moved the Navy. We could have had all kinds of response. The President has all kinds of resources, and he is just basically letting all this happen.

Now, British Petroleum needs to be made to pay, and it shouldn't be limited to $75 million—absolutely not—but we've got to have a better response. People are losing their livelihoods. They've already lost their lives. It has got to come to an end.

I yield to my friend.

Mrs. LUMMIS. Will the gentleman yield?

Mr. AKIN. I do yield, lady.

Mrs. LUMMIS. It is the power of the purse that this Congress holds that allows us to gain control of situations like this, and that is why this discussion is so important. I thank the gentleman from Missouri for including us. I yield back.

Mr. AKIN. I thank you, lady.

We've been talking about a broad range of different topics today; but in general, it is the condition of our economy.

The thing I would like to be sure that we don't do is to leave with the impression that there aren't solutions to these problems, but the solutions include, one, we're going to have to back off our just giving away money to everybody. We're going to have to reduce Federal spending. What we're going to have to also do is to use the power of reducing taxes to increase government revenues. So we have to reduce taxes in order to get the economy back and going and to start creating jobs.

Now, if we want to continue the formula of destroying jobs the way we have been, what's going to happen is that it's going to be harder and harder to get the economy back on track, but there is a solution. It's not complicated. It involves doing tax cuts selectively to allow those small businesses to start creating jobs again, and we have to get off their backs with regulations and red tape. We have to increase their ability to get liquidity, but we also have to stop taxing and taxing and taxing. All of the talk about concern about jobs is just a bunch of lip service because every one of these things is a job killer:

Cap-and-Tax. They're going to tax energy.

Health care taxes, a massive effect of destroying jobs. There are all kinds of businesses now that are asking, How can I get my employees under 50 so I don't have to get involved in this?

The death tax. Taxes on inheritances. This is another thing that is going to tie up money that could be invested in business and that could create jobs.

The capital gains tax. This is one of the big things that helped create jobs before. This is going to expire next year. So there are solutions to these problems, but the solutions require some grown-up leadership in Washington, D.C.

Mr. Speaker, I thank you for your indulgence this evening. I yield back.

JEWISH AMERICAN HERITAGE MONTH

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 2009, the gentlewoman from Florida (Ms. WASSERMAN SCHULTZ) is recognized for 60 minutes.

Ms. WASSERMAN SCHULTZ. Thank you, Mr. Speaker.

Mr. Speaker, I rise this evening to proudly commemorate the fifth annual Jewish American Heritage Month, which takes place in communities across the country each May.

Jewish American Heritage Month promotes awareness of the contributions American Jews have made to the fabric of American life—from technology and literature, to entertainment, politics and to medicine.

It is a concept that was brought to me by leaders in the south Florida Jewish community 5 years ago when I was first elected to serve in this body. It was an idea born of the concern that, although there have been 355 years of Jewish life in America, there is still a tremendous lack of understanding about Jewish culture in that Jews are both a religion and a heritage in terms of our traditions and our community. Because we are less than 2 percent of the population in America, most people in America have either never met a Jewish person or have rarely, if ever, interacted with a Jewish person, so our traditions are often a foreign concept.

It was felt by the leaders in my Jewish community that, in having a month dedicated to cultural and educational programming, particularly in non-Jewish communities, it would raise awareness, foster understanding and deal with some of the concerns over the fact that, of the bias incidents that have been documented by the FBI and by the Anti-Defamation League, literally 65 percent of those bias incidents in recent years have been anti-Jewish bias. If we can use Jewish American Heritage Month, now in its 5th year, to foster understanding and tolerance, then hopefully we can reduce anti-Semitism and bigotry in this country.

As we are well aware, the foundation of our country is built upon the strengths of our unique cultures and backgrounds. Yet, while our diversity is America's strength, ignorance and intolerance about the culture and about the traditions and accomplishments of the Jewish people are, unfortunately, still really prevalent.

Again, Jews make up only 2 percent of our Nation's population, and as a result, we need to make sure that people in America understand that there have been so many different things and that so much of American history has been touched by a significant contribution of American Jews.

Tonight, my colleagues who are joining me on the floor to acknowledge and to mark the 5th annual Jewish American Heritage Month are going to talk about some of the impacts that the Jewish community has had throughout American history.

It is my privilege to yield to my friend, the gentleman from Colorado, JARED POLIS.

□ 2115

Mr. POLIS. I thank the gentlelady from Florida.

I am here tonight to talk about the Jewish history in the West and in Colorado. Colorado was still an untamed wilderness when gold was discovered near Pike's Peak in 1858. The 59ers, fortune hunters from across the country, came to our State, growing the population and building a diverse economy. Jews, too, were part of that quest.

Over the millennia, our Jewish people have suffered many exiles, often wandering and migrating from one country to another, frequently meeting