

RECENT FISCAL HISTORY

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

Mr. HOYER. Mr. Speaker, first I want to congratulate the gentleman from North Carolina for the remarks he just made. He is a Republican and I am a Democrat, but I will tell you this: We are friends, and we work together. And he is one of the most conscientious Members of this House, who follows his conscience and his moral values in making decisions. He gave a very moving and important speech on the floor today. I thank the gentleman, Mr. JONES, from North Carolina.

Mr. Speaker, when I come to the floor to speak about our country's recent fiscal history, I am often told there is no point in looking back. But Majority Leader CANTOR got it entirely right when he wrote this: "The future will not be won by repeating the mistakes of the past." The future will not be won by repeating the mistakes of the past. Unfortunately, however, we are proceeding on a path that shows little inclination to live by those words.

Once again, our Republican colleagues are using the language of fiscal responsibility, but pursuing policies of fiscal irresponsibility. Our colleagues across the aisle trumpet the \$100 billion in domestic discretionary spending they voted to cut from our budget. However, their actions belie those words. Their very first action in this new Congress was to approve policies, a rule package, that would provide for borrowing an additional \$5 trillion, unpaid for. Their budget policy would give us the worst of both worlds.

On the one hand, they failed to take on the real fiscal challenges. And, very frankly, there is blame to share across this Chamber, Republicans and Democrats, for failing to take on those challenges. But the policies they're pursuing would even make our situation worse. On the other hand, the cuts they do make are taken out of vital investments that would grow our economy and create jobs. As I will mention later on, some 700,000 to 800,000 jobs over the next 18 months, it is projected, would be cost by the adoption of their policies. This combination is not new. It is a repeat of Republican fiscal policy in the past.

Let's look at the evidence. First of all on deficits, what this chart shows is everything below this line is a deficit. Everything above this line is a surplus. Obviously, what you want is the deficit going down into surplus. What you don't want is going from surplus into deficit. You will notice that the Reagan administration, Reagan-Bush, are noted in this first red quadrant, and the Clinton administration going from deep debt to surplus, then the Bush administration going from surplus into deep debt. And the Obama administration trying to get out of the extraordinarily tanking, receding economic status, invested in bringing us out, and now we see us coming out.

It shows how the fiscally responsible policies adopted under President Clinton took us into surplus. It unfortunately shows that when we reversed those policies in 2001, we then went back into deep deficits. We all know how those predictions that Republicans made when we adopted this economic program, for which none of the Republicans in the House or the Senate voted for, they said economic catastrophe would occur. That was their analysis. That was their economic prediction. In fact, exactly the opposite happened, and we created 22 million new jobs for Americans. This deficit chart also shows how our record surplus was squandered during the Bush administration.

The second chart I want to show you talks about government spending. We have to cut spending. We all know that. We all talk about it. But let's look at who actually did cut government spending.

Again, government spending was up and down, but at a rate higher than it was under the Clinton administration where spending, as a percentage of our gross domestic product, almost without exception, went down. So when we talk about spending, we have a record of restraining and cutting spending. In fact, that was a partnership, frankly, because Republicans agreed to make compromises with the Democratic President.

However, when they controlled the Presidency, the House, and the Senate, you will see that spending went up sharply once again. Again we see government spending as a percentage of the economy rising under President Bush, and after the emergency measures needed to respond to the recession, starting to come down after the recession was ameliorated.

Real median wages. I want to show this chart as well. Because, after all, these are nice statistics, but what does it do for people? What is the impact on them? Real median wages sort of stuck. And I will end with this and complete the rest of my statement later, Mr. Speaker. But you will see that median wages under President Clinton's administration went up, and then they were flat. And they are going up again now under President Obama. Too slowly to be sure.

Mr. Speaker, I will continue these remarks, because if we do not learn from the past, if we repeat the failed policies of yesterday, our people will not be well served.

 IMPROVING THE ECONOMIC ENVIRONMENT

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

Mr. QUAYLE. Mr. Speaker, a little more than a week ago this House passed a continuing resolution with \$100 billion in spending cuts. Not only was this an important step towards reining in our Nation's paralyzing defi-

cits, it also sent a clear signal to job creators that House Republicans are determined to foster an economic environment where certainty and confidence can return to the marketplace.

When a young family looks for a new neighborhood, they examine a variety of factors. They might ask about how safe it is. They might want to know about the school system or whether their neighbors are friendly. The broader question being: What is the environment like?

Job creators take a similar approach when they decide whether it's safe to invest capital, expand their businesses, and hire new workers in America. Just as a family is not going to choose a neighborhood with overflowing sewers and a high crime rate, a business owner is not going to expand and invest in an economic environment marred by debt-fueled uncertainty that will increase the costs to run their business. After all, deficits are just deferred tax payments that eventually come due.

We must ensure that America is the most attractive and safest place to start a business, take risks, and invest capital. It is essential that we send a clear signal to American businesses that both parties are committed to removing the barriers to job growth and economic development.

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Republicans believe—and I would argue the American public believes—that cutting spending is a crucial step in that process.

Yesterday, Mark Zandi released a study which argued that the Republican spending cut plan would cost jobs. I am sure Mr. Zandi is a nice enough person, but in recent years, he hasn't seen a spending increase he didn't like. He was the Democrats' go-to guy when they were looking for an economist to endorse the stimulus, and he even endorsed a second stimulus package after the initial \$1 trillion package was signed into law. So before my Democrat colleagues start touting Mr. Zandi's report, I suggest they look at his record on the so-called stimulus.

By merely debating spending cuts for the past few weeks, this body engaged in a process that many feared was obsolete. Some have said Republicans are trying to cut too much, others, that we are not cutting enough; and, indeed, we still have a long way to go to get our deficits and debt under control.

But what no one can dispute, Mr. Speaker, is the fact that we are serious about cutting spending. In addition to the \$100 billion in cuts Republicans have offered over the next year, we have also made clear that our upcoming budget will include serious, commonsense entitlement reforms.

All of these efforts have one goal in mind: producing an environment conducive to economic growth and job creation. House Republicans are doing what we were sent here to do, and that's precisely what our job creators need: clarity and decisive leadership