

Mr. CAMPBELL of California. Mr. Speaker, I have to say the course of this budget debate is somewhat perplexing. My friends on the other side of the aisle here, the Democrats, are consistently railing about the deficit and the evils of the deficit and how bad the deficit is and how big the deficit is...

Mr. CAMPBELL of California. Mr. Speaker, I have to say the course of this budget debate is somewhat perplexing. My friends on the other side of the aisle here, the Democrats, are consistently railing about the deficit and the evils of the deficit and how bad the deficit is and how big the deficit is, and I confess that I concur. I have problems with this deficit and that we ought to be reducing this deficit.

But it seems like their solution to reducing the deficit is to spend more money. My friends, this is like saying that we have a boat and our boat is sinking, and the way to fix the boat is to punch holes in the bottom of it.

Spending more money does not reduce the deficit. You don't need to be a CPA to know that. You only need second grade math to know that. Spending more money does not reduce the deficit. In the Budget Committee the vast majority of the amendments to the budget offered by the Democrat side were amendments that spent more money.

Now, to be fair, they do propose to close the deficit by raising taxes, and that is their argument and their proposal. But they claim that the tax rate cuts, and I want to point out that they were tax rate cuts, that happened in 2003 have increased the deficit. Except, since those tax rate cuts went into place, the income to the Federal Government, the revenue coming into the Federal Government has increased by an average of nearly 7 percent a year because tax rate cuts stimulate the economy, and tax rate cuts, these particular tax rate cuts, allowed capital to move to where it is best used and it resulted in more revenue. So you can't say that tax rate cuts have worsened the deficit when the revenue has gone up by higher than historic averages since the rates were cut.

Now, this budget that is before us increases spending. That is another thing. You are hearing about all the cuts in this budget and, sure, some things go up and some things go down. But overall it increases spending by 3 1/2 percent. My friends, that is not a cut. An increase of 3 1/2 percent is not a cut.

It spends \$2.7 trillion. That ought to be enough to make things work around here, you would think. And it reduces the deficit because the revenue by this stimulated increased economy will go up by more than that 3 1/2 percent.

So this budget does not cut spending. It increases it. It does not increase the deficit. It reduces it. And it does not raise taxes. It maintains the stimulative tax policy that currently exists in our economy.