

U.S. Representative Jim Jordan

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Preacher: Jim Jordan

[0 : 00] Thank you, Pastor. Good to be with you. And ladies, appreciate your ministry and the work you're all doing. And that story that the six boys and 13 hands was going to end right there, that was very appropriate.

Look, I'm going to be talking a lot about economics and fiscal policy, as the pastor indicated. And that's not the most encouraging news, frankly. So let me start with some better news. I know tomorrow the movie Exodus, as Pastor talked about, you're going to be watching.

And I had the privilege Tuesday, last Tuesday, to be in the chamber for a joint session of Congress when the Prime Minister of Israel spoke to the Congress.

And the gallery was full. And I will tell you, I've listened, as you might imagine, to a lot of speeches in my life by a lot of different politicians. And this was one of the best I've ever heard. If you haven't had a chance to listen to Mr. Netanyahu speak, it is worth sitting down there.

There are 29 different standing ovations that this guy cut. In fact, I was telling, we had some folks over last night, and I was talking about the energy in the chamber was comparable to a State of the Union address.

[1 : 06] In light of, of course, the backdrop was the week before with the President's comments about pre-67 borders and all. But the Prime Minister did an outstanding job, went through the history.

In fact, this movie that Pastor talked about, I've read the book. If you get a chance to read the book as well, it's great. But he went through the history of the country. And frankly, the best part of the speech, in my judgment, was the ad lib part, where there was someone got into the gallery who was a protester.

And maybe five, ten minutes into the Prime Minister's address, the person stood up and started yelling all kinds of ridiculous things. And of course, the Capitol Hill police took her out of the chamber.

And as she's leaving, the Prime Minister said, that's what we have in our country and in your country, the ability to speak out and exercise our rights, our freedoms.

And he made this point, and this was powerful. He said, you know, there are one million Arabs in the nation of Israel who have the right to do what that lady just did. Have the right to engage and have rights and have freedoms and have privileges.

[2 : 11] He said there are 300 million Arabs in the greater Middle East. And only one million have the right to do what that lady did. And they're the ones who live in the State of Israel. Powerful point. And again, if you get a chance, I would encourage you to take a look at the Prime Minister's speech.

Let me just set a context, and I will save time for questions. I'll just speak here, hopefully, just for a few minutes and save time for questions, because typically I know you have questions. Let me just give the broad framework.

First, America, and I've shared this with you before, America faces three big challenges. We have the terrorist threat. It is as big and as real as it gets. Obviously, we had a great victory with the capturing and killing of bin Laden.

But this is real. I always tell this story. My first month on the job as a member of Congress, as a new member of Congress, January 2007, went to the Pentagon. They give you this briefing, and the first part of the briefing is all practical stuff that a congressional office needs to know dealing with military issues.

If you've got a young person in the military and their family needs to reach them, and just different things and how it works and protocols and everything you follow, all good practical information.

Second part of the briefing, they take you to a different room.

[3 : 17] We're not allowed to talk about what they tell you in that room, but you walk in the room, and it's the biggest map of the world I've ever seen. They actually flash on the screen above the map, secret, and they start telling you about how crazy the world is and all the bad guys and what harm they want to do to this country.

And I'll tell you, as a country boy from St. Paris, Ohio, it leaves an impression on you. It is every bit as serious as you might expect. And so we have to keep that in mind as we think about the challenges we face as a country.

That is certainly first and foremost. And obviously the number one role of the federal government is to protect the nation. That's constitutionally what we're supposed to spend your tax dollars on. So it's obviously the most important.

Second big challenge is the one I'm going to elaborate on here in a little bit, the economic and fiscal challenges we face, and it is huge. And in many ways these are a moral thing, just like the terrorist thing is, it's a moral thing too, which leads to the third challenge.

And this is probably the biggest. The third challenge I think our country faces is this ongoing debate in our culture over whose set of values, whose set of principles are going to prevail. Those of us who believe, and this is what the prime minister said too in his address.

[4 : 19] He talked about this bond between our two countries and the Judeo-Christian link that we have as two nations. And those of us who believe in those things. And what stems from that, the respect for human life, the sanctity of human life, the respect for marriage, and a whole host of other values.

Frankly, they all tie together, and I've said before, if we don't have the toughness and the fortitude to prevail on this last fight, we may not have what it takes to win the economic challenge fight and to win the terrorist challenge fight.

The third one is in many ways the most important because it links them all together. It really does. You think about the fact that we've got a \$14 trillion national debt. That's not just a fiscal problem. That's a moral problem.

It is immoral to saddle future generations. The founders understood this. That's why they said you pay off your debts each generation. You don't leave the new one, the next one, with your debt. You deal with it in your lifetime. So we've got these big challenges, and we've seen things in these areas that we never thought we'd witness.

I mean, I point to it, and this is not to, I try not to get partisan here because, look, the party I belong to, we've made mistakes, big mistakes too, and mistakes in the economic area.

[5 : 26] But we have seen things in the last couple of years in this country we never thought we'd witness. I mean, we never thought we'd see the President of the United States fire the CEO of General Motors. We just never, we've seen unprecedented involvement, as the pastor alluded to, where the public sector and government gets in private life and business life and economic life.

And the day I point to, and it's not one that we always, I think, underscore and highlight as much, but it hit me is that, and maybe say, remember during the bailout, the auto bailouts, when the President of the United States, the greatest country in the world, stood at a press conference, and in front of the entire world ridiculed the bondholders at Chrysler.

And these are the, remember, these are secured creditors. They're the first in line when there's a bankruptcy. Ridiculed the bondholders at Chrysler and said, you take the deal I'm offering. Forget about the fact that you have rights as the first in line as secured creditors.

Forget about contract law. Forget about the rule of law. Forget about private property rights, all those fundamental privileges that we've got as Americans. He says, you're going to take the deal because I'm the President of the United States, and I'm telling you to take the deal.

And they end up taking the deal. Sad day for economic liberty in our country. So one other thing I wanted to do just to get into set the framework, and I'll talk about this debt ceiling issue and some of the numbers, and hopefully end on a more positive note as well.

[6 : 49] The world is a dangerous and chaotic place. All you've got to do is watch the news. Look at all the tragedies that have happened. It's a big, bad world out there. But it's a better world, in my judgment.

It's a safer world. It's a less chaotic world when the United States of America leads with the values. I mean, for all the problems we have, I mean, you think about it. When the pastor read that story, you

think about all the problems we have.

Is there any other country you'd rather be a citizen of? No, it's still the greatest nation in the world. And the world is better when America leads. And here's the facts. And this is what really scares me the most.

You can't be the military leader. You can't be the diplomatic leader if you're not the economic leader. That's right. To be the superpower, you've got to have the super-powered economy. And right now, we are doing policy-wise. I gave a speech at the Lima Chamber of Commerce on Friday. When you think about some of the key policies, we're doing exactly, in my judgment, the wrong things to keep us the leading economy.

[7 : 48] I mean, maybe you saw the statement by the International Monetary Fund four weeks ago. A story ran that says, the age of America ends in five.

The age of China begins in five years because, in some measures, China's economy will surpass ours in just five years. No one thought it could happen that quick. But that's where we're at. So the world's safer when we lead.

You can't lead militarily. You can't lead diplomatically if you don't lead economically. Right now, in the four big areas, I think we're doing exactly the wrong thing. Tax policy. I mean, we have the highest corporate tax burden in the world.

It's tough. I would argue, right now, if you're not for your policymaker and you're not for lowering the corporate tax burden, that's just being unpatriotic. Why should American corporations have to compete in an international marketplace at a higher rate than others?

Now, there are some problems with the code itself and different ways that people get out of paying taxes. We need to address that as well. But the idea that we have the highest corporate tax burden is just plain wrong. And we have got to clean up the tax policy.

[8 : 49] We have this great freshman class you've heard about. Many of them are really good guys. Many of them are Christians. Super guys. One is a gentleman from Green Bay, Wisconsin, Reed Ribble. I get the privilege, just Congress, of chairing what's called the Republican Study Committee.

And it's the conservative caucus on Capitol Hill. We've got 176 members. Not all of them are super conservative, but most of them are solid individuals who believe in less government and traditional values and national strong, national defense, et cetera.

And so one of the things I've done is 73 of the 87 freshmen are members of the Republican Study Committee. So I made a point. I got to know all these guys well. But I also make a point to go to their office here over the last four months and visit with each new freshman who's a member of the RSC and just chat with them.

I walked into Reed's office. And on his table, he's got a copy of the tax code. I mean a copy of the tax code. And he's a small business guy from Green Bay. And he keeps it just to remind him why he came to Washington to fix the darn tax code, help shrink the tax code to make it a little more conducive for businesses to create jobs and grow their business.

So our tax policy is wrong. Corporate tax policy is two numbers. Our energy policy is wrong. You all know. You can't be the leading economy in the world if you have a bad energy policy. You've got to have reliable, reasonably priced energy if you want to lead the world.

[10 : 08] And we're doing exactly the wrong things in the energy policy. And then third is the regulatory policy. When you have all these cumbersome rules and regulations, it's just tough for small business owners to create jobs.

They're uncertain how it works. If you follow this health care debate right now, some companies get waivers and get exempt from the health care laws. Others have to follow. When you have that, as the Wall Street Journal called it, crony capitalism, where government picks the winners and losers, picks who they're going to exempt, picks who has to do it, that's a bad policy.

And that uncertainty makes it much more difficult for business owners and entrepreneurs to take the risk you need to have them take in a free market society. And it's a total problem. And we're working on regulation.

I get the chance to sit on the oversight committee. And the oversight committee, our job is not really to create legislation, but it's to, as the name would suggest, provide oversight to what the agencies are doing.

And we had a hearing, this is probably now two and a half months ago, where we invited small business owners to come in and just talk to us about the ridiculous, goofy things government makes them do that are an impediment to them growing their business.

[11 : 14] And one of the witnesses was actually from our district, Jack Buescher, Buescher Electric up in Minster, Ohio. Jack's a friend of mine, a great supporter. We asked him to come down, and he, along with four other individuals from all over the country, came in and testified.

And great hearing, and they talked about what they do. And all these guys had started their business 20, 25, maybe 30 years ago. And the best question, again, came near the end of the hearing.

One of these other freshmen, Frank Ginta from New Hampshire, another good guy, asked what I thought was the best question, the most compelling question. So, near the end of the hearing, he said, okay, guys, we heard about this.

He says, I just, I want to cut to the chase. I want to ask you one simple question. You're all successful, leaders in your community involved, successful business, started it 20, 25 years ago. He said, I just want to know one thing. If you knew then what you know now, would you have started?

If you knew back then all the hassles government was going to make you deal with, would you have started your business? Every single one of them said, I wouldn't do it. I would not do it.

[12 : 15] It's so cumbersome, sober. And that is a sad commentary, again, on the greatest country in the world where the entrepreneurs out there who create the jobs and provide the opportunities said, if I had to do all over again, I don't think I would do it because the government's just gotten that out of control.

So, we've got to fix that as well. And then, of course, the fourth area, taxes, energy, regulation. The fourth one, and I don't have time to get into everything. When we think about regulation, it's health care policy too, and we could spend a whole hour on that.

But the fourth one and the big one is spending, fiscal policy. Look, you can't spend more than you take in forever and ever and not expect some consequences from that.

And we have got to a point where it is completely out of control. Think about that. And this is not just politicians talking. Think about what's happened in the last eight weeks. PIMCO, big investment house, nine weeks ago, got out of the treasury market.

These are smart people. This is Bill Gross and PIMCO, big investment. They got out of the treasury market. Five weeks ago, Standard & Poor's, for the first time in 70 years, for the first time in 70 years, said the outlook, the credit outlook for the United States of America, the leading country in the world, the biggest economy in the world, \$16 trillion economy, the outlook, the future credit rating of the United States is now negative.

[13 : 25] Hasn't happened in 70 years. And then, of course, what I related earlier, IMF said the age of China may, in fact, be starting in five years. You look at the numbers. \$14 trillion national debt the last three years in a row.

And I'll try not to bore you with all these numbers. But the last three years, we've run over a trillion dollar deficit each year. This year, 1.6 record level. The month of February alone, we ran the largest monthly deficit in American history, \$220 billion.

And interest, interest on our national debt right now is over \$200 billion. And someone tell me about interest rates right now. Anyone know? What interest rates are like? Pretty low?

Yeah, record low. Historic low. They're not going to stay there. In fact, they're going to go up. If they go up significantly, within 10 years, we're paying more in interest than we currently spend on national defense.

So it is a completely unsustainable model where we're at. And the opportunity we have to make a difference happens here sometime probably in the next two months. And we're actually pushing as conservatives in the Republican Study Committee, we're pushing a proposal that we think we're trying to use the leverage of this debt ceiling vote.

[14 : 30] How many of you have been following this debt ceiling story? Many of you? The founders, in their wisdom, said you can't just borrow more money. You've got to have a vote so that people can see what's going on. It's a good move.

One of the many great things the founders did when they put this country together. And so the debt ceiling vote's coming up. First, Secretary of Treasury Geithner said it had to happen in the first quarter. We got a letter back in January to the Congress and sent to Speaker Boehner and President Harry Reid that said, you know, sometime in the first quarter.

Well, obviously, we've passed that. Then he said it's got to happen by May 16th. We've obviously passed that. Now it's August 2nd is the date that the Treasury Secretary has given us that we need to increase the borrowing authority for the country if we're going to sell more treasuries and borrow more money to spend for the things that Congress has appropriated to be spent on.

So we think the leverage of that, we have an opportunity to do some good things. And so we're actually advocating what we call cut cap and balance, a plan that says cut spending big in this fiscal year, cap it in the midterm as a percentage of GDP.

Historically, the United States of America has spent somewhere between 18% and 20% of GDP, federal spending has been. Right now we're at 24%, moving towards 25%. Record level of spending, again, started under the past administration, but taken to a whole new level under this administration and the previous Congress with Ms. Pelosi as Speaker.

[15:50] So we say let's begin to bring that back down to where it's supposed to be and quit having the public sector such a big part of our economy and get back to where the private sector is, back to 18%, 20% range. And then third, we think we actually believe, and this is, we've got 90 people who've signed this letter, 90 members of the Republican Study Committee and a few others, conservatives.

We actually believe this may be one of those historic moments where we have an opportunity to get a balanced budget amendment through the House, through the Senate, requires a super majority vote, and sent out to the states for ratification.

And fundamentally change the game long term so that, you know, obviously Congresses haven't been able to spend what they, just what they take in, but to force them by the Constitution to do that. And so this is the plan we're advocating and we say if we don't do these kind of things, we're not going to raise the debt ceiling.

And I would tell you I would much rather have a crisis today than have the real debt crisis which everybody knows is coming. David Walker, former Comptroller General, spoke to a group of about 10 of us, 10 conservatives, last Wednesday.

And I asked the former Comptroller, sharp guy, going around the country, one of the experts in this area. And he's not alone. Most economists agree, and you guys can't get economists to agree on anything, but they now agree. I said, when are we going to have the real crisis?

[17:00] Not this debt ceiling thing this summer, but the real crisis. The real debt crisis like Ireland and Spain and Greece and Portugal have had over the last two years. And remember, our numbers are close to what those are.

I would argue, but for the fact that we're the United States of America, the big kid on the block, and the credibility we've built up over the last 60, 70, 80 years as the leading economy in the world, when you look at the numbers, we should have had a debt crisis already.

Because our debt-to-GDP ratio, deficit-to-GDP ratio, very comparable to the countries who've had crisis in the last couple years. But the world doesn't want us, deep down, they don't want us to have a crisis because they know their implications for the whole world.

And David Walker and most economists now say within two to three years, we're going to have it if we don't do the right things now. And so we, I've told our conference, speaking to the Republican conference, all Republicans in the House, the only way we mess this thing up is by not being bold enough.

And the real test won't be, again, what the politicians say. The real test is if we do the right things with the leverage of this debt ceiling vote, if we do the right things both short-term, mid-term, long-term, get them passed now, send the message to the market, the real test will be what's Bill Gross and Pemco do?

[18:12] What does Standard & Poor's do? I mean, that's the real test. Will they change their outlook and change their rating? Those are the kind of things that I think we need to do. And so that's going to be the whole, it has been the whole debate this Congress.

It will continue to be the whole debate. How we spend your money. And if we can begin to put it on a path that makes sense, and one that will ultimately, what we're doing, what the government's been doing, is the equivalent of a family making \$50,000, spending \$85,000.

And not just doing it one year because they got some unforeseen expense, or they're starting a business where there's going to be return on investment, but doing it year after year after year. That's what the federal government's been doing.

And just spending it on ongoing things, not those special things that maybe require some depth of spending. And obviously you can't do that. And we've got to fix it. Here's the good news.

I mean, someone said we're getting some good news. Here's the good news. I think the American people get it. And I think more and more of the politicians get it. And certainly the majority of this freshman class who came into the House of Representatives understands it.

[19 : 23] I may have shared this with you before. Our high school coach had a great guy. Passed away two years ago. Super guy. Had a big impact on Jeff and I. And, well, for that matter, Polly and Amy.

Best teacher in our school. Taught chemistry and physics. Toughest teacher in the school.

Toughest wrestling coach in the whole state. This is no exaggeration. Every day he talked about discipline.

Every stinking day. I got tired of hearing it. Because he sounded just like my dad did when I was at home. I got to get. He's talking about in class, in the wrestling room. Oh, my goodness. In fact, this sign, his quote for discipline hangs in the wrestling room.

In Jeff's wrestling right now. Every day he talked about it. He said, do you want to do well in my class, Jordan? This is chemistry. You got to be disciplined. You got to prepare the night before. You got to be disciplined in your study. Discipline in participating class. In the wrestling room.

Oh, my goodness. Every. Self-discipline. Self-discipline is the most important character quality. You got to have self-discipline. On and on. And I was like, there were days I was like, but I got to be quiet. He's driving me crazy. Great definition. He said, discipline's doing what you don't want to do when you don't want to do it.

[20 : 24] And I think, I think we're at a point where the American people understand it. The shared sacrifice that's necessary to fix the country. We've done it time and time again. Those 13 hands on the pole, they understood it.

I mean, so our job as policymakers is to understand where the country is and understand the history of the country and say, look, this is one of those historic defining moments for the country. And we've got to get it right. We were, two months ago, we were at the NCAA tournament, wrestling tournament. It was in Philadelphia. And between sessions, we went to Independence Hall.

If you've never been there, go see it. First thing you do, you walk in it, you realize how small it is. I mean, compared to the house chamber, small room. And you're in there, and you can picture, and I focused, I thought about 1776 versus a few years later when they did the Constitutional Convention. But I was thinking about when the place started. And you can, as the tour guy was talking and relating what took place in that room, you can picture it. You can see where Jefferson sat, where Adams, and where Franklin, and where Hancock would be in the front.

[21 : 32] And you think about what these individuals did when they started the greatest experiment in liberty, you know, we call America. Put it all on the line. Most of them, we remember Adams, Jefferson, Franklin.

Most of them, though, lost everything. Lost it all. Because they wanted to start a place that meant something. Where freedom and liberty really meant something. And this grand experiment we call America.

And I think Americans are going to understand that and have that same inclination. If you get a chance, and I'll stop here. If you get a chance, read Tony Blankley's column.

Read the December 20th column, last December, in the Washington Times. Tony Blankley, wonderful guy. I had breakfast with this guy. Great guy. Conservative writer.

And the title of his column is called The American Miracle. And he talks about what's happened in this country the last couple years from the people's perspective, not the politicians' perspective.

[22 : 31] And he said in early 2009, everyone was scared. Everybody was nervous. 401Ks had lost value.

Our homes had lost value. People we knew, family members, neighbors had lost their job. Things were tough. The greatest corporation in American history, General Motors, was going bankrupt. Everyone was anxious.

Everybody was nervous. Everybody was scared. Along comes the new president. Promising what politicians like to promise. More help from the government. As Blankley points out in his column, more protection from the wing of the state.

And he said somewhere in late spring, early summer 2009, the American Miracle took place. And the American people said, wait a minute. We're going to reject more government. We're going to embrace freedom. We're going to forego the protection of the wing of the state. And we're going to hang on to liberty. And he makes the point, no other people on the planet would have made that decision.

[23 : 35] Only Americans. And that's what inspires me when we're thinking about the tough things that need to happen. And particularly this weekend.

I don't know why I always get emotional this weekend. But I'll do one other story. And then I will take a question. I think I've got 30 seconds before we're officially done. Pastor's story was amazing. And one of the special things you get to do as a member of Congress is from time to time go to Walter Reed Hospital and see some of the, you know, some of these individuals who fight for the country.

And I'll just take your questions. Maybe I'll be able to tell that story in a second. So I'll just take your questions. Sergeant Brian Bradley from St. Mary's, Ohio.

Just an amazing guy who lost his arm fighting for us. And he's just like the guys Pastor described. Football player from, played for the Rough Riders in St. Mary's and fights for his country.

[24 : 46] Anyway. I'll take questions. I've got to stop. What do you think?

Oh, I'm sorry. I was just going to ask you what your view of the fair tax is. Yeah, it's a good, it's a good, it'd be the best plan if you could get it done. But look, we're having trouble.

We're going to have a tough time getting the votes, the super majority votes in Congress to amend the Constitution to require a balanced budget amendment, which 90% of Americans thinks is a no-brainer.

So the idea of getting a constitutional amendment to repeal the income tax, which you would need prior to enacting a fair tax, which is basically a national sales tax, I'm all for it.

But it's a big step. I think actually what's more doable, if in fact more conservatives are in government, and we take back the White House with a real conservative, would be a flat tax, flat income tax, with just a couple basic exemptions for dependents and for your home mortgage interest.

[25 : 56] I think a couple basic exemptions which focus on family, the key institution and the culture, in a flat tax would be the most doable politically. And one I actually would push for even over the fair tax.

We got there and then here. Okay. And I'll just, Pastor, kick me out whenever you need to. There's a large segment of the population that does feel that the government's role is to take care of the folks.

What is your view about how this thinking will affect the coming election, presidential election?

Yeah, I still think there's enough. I still think in this country there are more makers than takers is probably the easiest way to say it. And we just got to, but we can't go a whole lot longer where we don't fix things.

For example, tax policy right now, approximately half the population doesn't pay income tax. Now, they're paying payroll tax if they're working, but they're not paying a federal income tax. So that needs to change.

[27 : 01] Everyone needs to be participating. So when I talk about tax policy, I couldn't go into everything. Those are some of the changes that need to be made. I still believe, as I close with, most Americans understand what needs to happen, and they're willing to sacrifice if we all do it.

It's kind of this shared sacrifice. Everyone has to do it. And it takes someone, it takes a, let me give you an example. The guy who's communicating the tough love message the best and doing it in a refreshing, straightforward, compelling way is the governor of New Jersey.

People find this guy so refreshing. He just stands up and says it. I've heard this guy speak, and next to the prime minister's speech, Chris Christie, that speech I've ever heard, he spoke to us back in March, a large gathering in D.C., and did an outstanding job.

And he gets it, and people find him. Watch some of his YouTube clips where he walks in. I guess, I haven't seen this one, but I guess he walks in a group of firefighters, and he did in New Jersey what Governor Casey, Governor Walker, some of the changes they're making in their respective states. And he's already done it in New Jersey. And when he walked in, they started booing him, and he said, Okay, guys, I get it. And maybe if I'm where you were and someone else up here, I might be

booing too. But let me tell you something.

[28 : 16] I'm the first guy to tell you the truth. And you're going to thank me in 15 years when you still have a pension. And by the time he's done communicating with them, they're not throwing things at him.

They're like, well, I don't necessarily love what's happening, but you know what? Here's the first guy to love what. And he said, you know, I'd like to send the bill to Corzine and to Whitman, the previous governors, but you know what?

We can't do that. We've got to deal with the hand that's been dealt us. And this guy is so refreshing. People, and frankly, people like the fact that he's, you know, a rotund guy from New Jersey. You know, something about the country.

I think he'd be our best candidate if he would run for the party I belong to, if he'd run for president. He said he's not going to do it. But people find him refreshing. What is it?

You ever watch Dennis Miller on Fox? He said, Chris Christie, the man who ate New Jersey. You know, it's like, yeah, yeah. People find him refreshing. And he's able to do in many ways what Reagan was able to do.

[29 : 16] Talk about the greatness of his state and the greatness of America, the greatness of the country. Lay out the facts, doing it in a compelling way, but inspire people. And Polly and I had the chance back in January.

We're at the Reagan Library for the conservative members retreat. And, again, that's another place you need to go if you haven't. You walk through. They had this new exhibit. And you walk through every room from Reagan's childhood to when he, well, all the way to the funeral.

And the big crowds of people who came for his funeral. What an amazing individual. What an amazing guy. And the things he did. They had this one room where they had the picture of all the bad guys on the wall.

I mean, the leaders of the Soviet Union, Ortega, Nick Rodman, all the bad guys. Some things never changed. Had a picture of Gaddafi on the wall. I mean, he's been around that long. And what Reagan had to deal with, we forget.

But in 79, 80, 81, they showed pictures domestically. The gas lines getting gas every other day. Stagflation, which some people say is coming back.

[30 : 18] I mean, it's not like we haven't been through these tough times before. But it takes sometimes a leader who's willing to draw on those important values and principles that the founders understood were part of this culture. And hopefully that individual will be announcing that he's running for president here pretty soon.

I think there was one here. Yeah. Yeah, I heard on talk radio that one of the new congressmen, when they were campaigning, they campaigned against passing earmarks to congressional bills. And I heard that some of them, since they've gotten in office, have backtracked on that. No, you can't assign specific spending for certain things.

So there's no real true backtrack on it. There is – members do try to influence the defense budget and where defense dollars go. I actually view that as legitimate.

I think that's part of congressional responsibility because it has a national scope. It's national defense. The earmarks that you won't see and that I've never supported and members don't and frankly aren't permitted right now under the House and Senate rules are an earmark for private entities.

[31 : 33] You know, a special earmark here for this university or this entity can't do those, which is a darn good thing. Because, you know, as I said, well, as we all know, the country is broke. And if we don't change it soon, it's going to get ugly.

Yeah. Gary. I'll do a couple more because we're over time. I'll be around for a few minutes. Yeah. Jim, I think some of the concerns that you – from the outside looking in is you've got the conservative Republican Party and you've got a conservative Tea Party.

And you're concerned that down the road that Obama is going to be able to take advantage of that split at some point in time. Because the Tea Party seems to be very conservative in the kind of values that – at least that I've seen – that we would like to see.

And yet I see some of the leading Republicans almost bashing those people and actually I think in some cases caused them to lose in the last election. And that seems to be a challenge.

Well, there was – obviously if you follow this politics real close, you know, there was a special election in the congressional district outside of Buffalo, New York, this past week. There was a Republican, Democrat – and Gary kind of laid out the scenario – and a Tea Party candidate. [32 : 52] Democrat won because Tea Party and Republicans sort of split the vote. If you combine them, it was 46-43-8 for the Tea Party. And there was some question whether this Tea Party candidate was a legitimate Tea Party.

This individual he had run as a Democrat three different times for office and then suddenly he's a Tea Party candidate. So there's a problem there. I think truthfully the problem in New York – and I said this to the press – was we didn't run – Republicans didn't run a real conservative. You run a real conservative and a Tea Party person is in the race, they get 2% and the Republican wins if they're a genuine conservative. This lady was a pretend conservative. And when that happens, people are more likely to go for the Tea Party candidate. They may not know he's not legit in this situation. And frankly, conservatives stay home if they don't think there's a real choice. And I think largely that's what happened in New York, and Republicans need to learn the lesson that you've got to run a genuine conservative who wants to go do the right things.

We'll see how it plays out. I think the Tea Party has been great for the country. They're the energy in politics. They have, in many ways, helped on a national – in an election sense, they're doing – they try to do exactly what the Republican Study Committee tries to do in Washington.

[34 : 03] Our job is to make sure Republicans act like Republicans. And Tea Party has helped Republicans act like Republicans around this country. So I think they're very positive for the process. One more if there is one.

The man with the mic gets to ask one. Well, we'll go one – two more, and then we'll stop. Do you have a short list of organizations that we should be supporting? I've heard FreedomWorks is supposed to be good.

They're all good. Heritage. Yeah. Heritage, Heritage Action. I will tell you who's endorsed our cut – what we call cut cap and balance, cut spending, cap spending, balance budget amendment. The entities who've endorsed that are FreedomWorks, Heritage, Heritage Action, Citizens Against Government Ways, Club for Growth, NTU, National Taxpayers Union, ATR, Americans for Tax Reform.

And I'm sure I'm missing a few. Well, Family Research Council. Tony Perkins, a great organization. Tony's a wonderful Christian man who runs Family Research Council. Susan B. Anthony lists. Marjorie Dannens-Feltzer focused on protecting the sanctity of human life. We worked closely with them when we were in this Planned Parenthood fight over the budget. So all those organizations are good.

[35 : 08] The vast majority of these organizations have endorsed our plan relative to this debt ceiling issue. Last one. I had two questions, but save time and money. Family members have already answered the first one.

But second one, we're able to extend the debt ceiling to August 2nd because of creative accounting. Yeah.

What is that? Well, this is the Treasury Secretary moving money around. Intra-government transfers of money. My guess is because, you know, revenue is still coming in.

We still have tax policy and tariff policy and different things and fees and, you know, revenue is still coming in the Federal Treasury. My guess is it could go longer. There's, you know, August 2nd is probably not a hard date where there's not enough money to pay all the obligations the United States of America has.

And even if we get to that point, you've got to make decisions. You've got to – I mean, people talk about, oh, this is the end of the world. They've used the term Armageddon. This guy has fallen, you know, on and on and on.

[36 : 15] You have to do what a family does. You have to do what a small business owner does and say, okay, we're going to pay the secured creditors. You've got to pay the bondholders first, the people who have treasuries. You've got to pay them their interest.

And in some cases, if it's mature, you've got to pay the principal. Then you pay the troops. You pay Social Security. And at some point, you get down to where bureaucrats in Washington don't get paid.

The Phoenix Center is actually – you made me think of it. The Phoenix Center has actually done a study, peer-reviewed study, where they said for every federal bureaucrat you get rid of, you create 95 private sector jobs. I mean, this is – so it's like – so we would get to a point where maybe you can't pay all those people who work in D.C.

and these big buildings that you drive by on your way to the Capitol. So now, would it have some impact on the market, the bond market and folks in the – what's going to happen? I just know how these things play out because I've been in them before.

If we get to some date, and let's say it is August 2nd, I think probably could be potentially in September or later, where we're pushing it and the Treasury Secretary is kind of moving things around to pay obligations, at some point it will get intense in the Capitol.

[37 : 21] I just know it, and we will start getting phone calls from Wall Street. We'll start getting phone calls from bankers and businessmen back in our district. The national press, of course, will be saying, oh, you've got to raise this.

It will get intense, and at that point we need to – we conservatives just need to be tough and say, look, you put the right things in place. I would actually be willing to raise it some to play this game to get us moving in the right direction, but not unless you're going to do the right things that are ultimately going to fix the country.

And if it's pretend stuff, you're going to see a bunch of us vote no. And we just think it's that critical. And the good news is more and more members, I think, are grasping the gravity of the situation. And hopefully we're going to get the right things done. So thank you all very much. My favorite verse, 2 Timothy 4, 7, fought the good fight, finished the course, kept the faith. That is our charge as Americans, and particularly this special weekend.

So thank you very much, Pastor. Well, that was okay for an introduction.

[38 : 31] So would you like him to come back and finish? Okay. I would too. And the thing I most appreciate about what he had to say was it was a whole lot more common sense than it was politics.

We can understand common sense. And thank you again, Jim, for being here. And as soon as we dismiss, which will be about 30 seconds, I want to coordinate with him because I know he's running back and forth all the time from home to Washington.

And then when he gets home, he's got other obligations here, sometimes on Sunday, so he can't always be here. But we're going to see how soon he can come back.

And if any of you have questions you'd like to submit, it would probably be even helpful to him to know what your question would be in advance. If he's like me, he could probably give a better answer. So write out any questions you may have and drop them in the offering box, and we'll see that he gets them.

Okay. May we stand, please. May we stand, please.

[39 : 57] And demanding as it is. And yet to be willing to sacrifice in order to do the right thing.

And sometimes it's very, very difficult. So we pray that you will provide humanist colleagues with the fortitude and the staying power that's going to be needed as opposed to the enormous pressure and onslaught of opposition that will be coming that wants to continue just kicking the proverbial can on down the road and passing it on to the next generation.

And deliver us, we pray from that. Thank you again for the great freedoms and liberties that we so richly enjoy in Christ's name. Amen.