

HONORING FORMER CONGRESS-
MAN LUCIEN BLACKWELL

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

Mr. FATTAH. Mr. Speaker, I, too, rise to comment on the life and legacy of our former colleague Lucien E. Blackwell, who served as a Congressman for the Second District, and prior to that served for two decades as a member of the city council of Philadelphia, where he served as a chairman of the finance committee and moved through the council all of the critical and major pieces of legislation that impacted the growth and development of the city of Philadelphia as we know it today. And even before that service, he served as an elected official in the State legislature in Pennsylvania.

I remember almost three decades now ago when he led an effort with the late State representative David P. Richardson of Pennsylvania to clean up the conditions at our youth detention facility headquartered in our side of the State of the Youth Study Center on the parkway. He fought in the city council and passed the first major minority set-aside legislation once he found out that African American and women-owned businesses were getting less than 2 percent of the city procurement business, and created a program that opened a door for disadvantaged businesses to have an opportunity at the procurement in Philadelphia.

As my colleague, the gentleman from Pennsylvania (Mr. BRADY), has indicated, he started his public career, however, as a labor leader where he leveled the Longshoreman's Union in Philadelphia. And immediately prior to that he served our Nation in the Korean War conflict. He was a veteran of that conflict, and he won medals for his commitment and his service fighting with the Korean War veterans, and was a part of the effort to create an appropriate memorial for Korean veterans.

So Lucien E. Blackwell, who died suddenly at the age of 71, as it is reported, leaves now his wife, who is a city councilwoman in Philadelphia and a major leader in our city, and a host of children and grandchildren, who are going to in their own way make a mark and live up to the legacy of Lucien Blackwell.

And Philadelphians, Pennsylvanians, and all across this country people remember the passion of Lucien Blackwell, particularly his effort to be concerned about those who were considered in some quarters to be little people or outside of the mainstream of power. He fought with Maleek for ex-offenders. He fought to feed the homeless in Philadelphia, sometimes to the chagrin of the establishment. He fought to include labor fully in the discussions of economic development in our city, major building projects and every other respect.

Lucien Blackwell should be remembered by this House as not just a

former Member, but someone whose life of service honored the House by him being a Member here, and for all of his service to our country we should be grateful. And I would just like to say that for a lot of those people, the Linda Brickhouses, the Kentues at the grassroots political network, and all of the people he worked with, John Macklin on the disadvantaged business efforts, the minority business efforts, and the gentleman from Pennsylvania (Mr. BRADY), who he worked with shoulder to shoulder developing the political machinery in our city, at least in terms of the Democratic Party, but he also reached across the aisle and worked quite well with our Republican colleagues to make our city what it is today.

We are indebted. And I join my colleague from the First Congressional District in honoring his memory, his legacy, and I know that this House will find appropriate ways as we go forward to more formally recognize his service.

I thank the Speaker for allowing us this time.

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

(Mr. FILNER addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

CRISIS IN RURAL HEALTH CARE

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

Mr. MARSHALL. Mr. Speaker, this is the first time I have had an opportunity to speak to the Speaker, and it is an honor to do so. I speak on behalf of rural America, Mr. Speaker. It is an issue that is bipartisan. It is an issue that is of great concern to an awful lot of Americans.

Last night in his State of the Union Address the President said all seniors should have the choice of a health care plan that provides prescription drugs. I hope that the President's plan when it comes out takes the opportunity to address some of the weak points in Medicare and to truly provide access to prescription drugs for seniors throughout the United States, including in rural areas.

At the moment, Mr. Speaker, the formula for deciding how to reimburse medical providers discriminates against providers that are in rural areas. In my district we have had two rural hospitals close in the last 2 or 3 years. One closed, then reopened, and went through two or three different sets of management. We have had a number of rural hospitals that have struggled just to make ends meet.

This is caused in part by our funding formula under Medicare, and I hope the President in crafting his plan for prescription drugs and for Medicare re-

form will take into account the need to protect rural areas, to protect the citizens that are in rural areas, and to protect the economies of rural areas.

At the moment the funding formula for Medicare reimbursement discriminates against rural providers and benefits urban providers. That formula needs to be adjusted. I believe this matter has been addressed before in the House. I hope that the Rural Health Care Caucus will be presenting to the House a bill that will address this matter, and I also hope that the President and the House will support that bill. If the President could incorporate the concepts behind that bill, which during the last session was called the Rural Community Hospital Assistance Act, then I think the Medicare reform that is offered by the President could well address the crisis in health care that we see today in rural areas.

REPUBLIC VERSUS DEMOCRACY

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 2003, the gentleman from Texas (Mr. PAUL) is recognized for 60 minutes as the designee of the majority leader.

Mr. PAUL. Mr. Speaker, at the close of the Constitutional Convention in 1787, Benjamin Franklin told an inquisitive citizen that the delegates to the Constitutional Convention gave the people a Republic, if you can keep it. We should now apologize to Mr. Franklin. It is obvious that the Republic is gone, and we are wallowing in a pure democracy against which the Founders had strongly warned.

Madison, the Father of the Constitution, could not have been more explicit in his fear and concern for democracies. "Democracies have ever been spectacles of turbulence and contentions, have ever been found incompatible with personal security or the rights of property, and have in general been as short in their lives as they have been violent in their deaths."

If Madison's assessment was correct, it behooves those of us in Congress to take note and decide, indeed, whether the public has vantaged when it occurred and what to expect in the ways of turbulence, contention and violence, and above all else what can we and what will we do about it.

The turbulence seems self-evident. Domestic welfare programs are not sustainable and do not accomplish their stated goals. State and Federal spending and deficits are out of control. Terrorism and uncontrollable fear undermines our sense of well-being. Hysterical reactions to dangers not yet seen prompt the people at the prodding of the politicians to readily sacrifice their liberties in vain hope that someone else will take care of them and guarantee their security.

With these obvious signs of a failed system all around us, there seems to be more determination than ever to antagonize the people of the world by pursuing a world empire. Nation-building, foreign intervention, preemptive

war and global government drive our foreign policy.

There seems to be complete aversion to defending the Republic and the Constitution that established it. The Founders clearly understood the dangers of a democracy. Edmond Randolph of Virginia described the effort to deal with the issue at the Constitutional Convention: "The general object was to produce a cure for evils under which the United States labored; that in tracing these evils to their origins, every man had found it in the turbulence and follies of democracy."

□ 1400

These strongly held views regarding the evils of democracies and the benefit of a constitutional republic were shared by all the Founders. For them, a democracy meant centralized power, controlled by majority opinion, which was up for grabs and, therefore, completely arbitrary.

In contrast, a republic was decentralized and representative in nature, with the government's purpose strictly limited by the Constitution to the protection of liberty and private property ownership. They believe the majority should never be able to undermine its principle and that the government must be tightly held in check by constitutional restraints.

The difference between a democracy and a republic was simple. Would we live under the age old concept of the rule of man or the enlightened rule of law?

A constitution in and by itself does not guarantee liberty in a republican form of government. Even a perfect constitution, with this goal in mind, is no better than the moral standards and desires of the people.

Although the United States Constitution was by far the best ever written for the protection of liberty, with safeguards against the dangers of a democracy, it, too, was flawed from the beginning. Instead of guaranteeing liberty equally for all people, the authors themselves yielded to the democratic majority's demands that they compromise on the issue of slavery. This mistake, plus others along the way, culminated in a civil war that surely could have been prevented with clearer understanding and a more principled approach to the establishment of a constitutional republic.

Subsequently, the same urge to accommodate majority opinion while ignoring the principles of individual liberty led to some other serious errors. Even amending the Constitution in a proper fashion to impose alcohol prohibition turned out to be a disaster. Fortunately, this was rectified after a short time with its repeal.

But today, the American people accept drug prohibition, a policy equally damaging to liberty as was alcohol prohibition. A majority vote in Congress has been enough to impose this very expensive and failed program on the American people even without both-

ering to amend the Constitution. It has been met with only minimal but, fortunately, growing dissent. For the first 150 years of our history, when we were much closer to being a true Republic, there were no Federal laws dealing with the serious medical problem of addiction.

The ideas of democracy, not the principles of liberty, were responsible for the passage of the 16th amendment. It imposed the income tax on the American people and helped us usher in the modern age of the welfare warfare State. Unfortunately, the 16th amendment has not been repealed as was the 18th. As long as the 16th amendment is in place, the odds are slim that we can restore a constitutional republic dedicated to liberty. The personal income tax is more than symbolic of a democracy; it is a predictable consequence.

The transition from republic to democracy was gradual and insidious. Its seeds were sown early in our history. In many ways, the Civil War and its aftermath laid the foundation for the acute erosion that took place over the entire 20th century.

Chronic concern about war and economic downturns events caused by an intrusive government's failure to follow the binding restraints of the Constitution allowed majority demands to supercede the rights of the minority. By the end of the 20th century, majority opinion had become the determining factor in all that government does. The rule of law was cast aside, leaving the Constitution a shell of what it once was, a Constitution with rules that guaranteed a Republic with limit and regional government and protection of personal liberty.

The marketplace, driven by voluntary cooperation, private property ownership, and sound money was severely undermined with the acceptance of the principles of true democracy. Unfortunately, too many people confused the democratic elections of leaders in a Republic for democracy by accepting the rule of majority opinion in all affairs. For majorities to pick leaders is one thing. It is something quite different for majorities to decide what rights are, to redistribute property, to tell people how to manage their personal lives, and to promote undeclared, unconstitutional wars.

The majority is assumed to be in charge today and can do whatever it pleases. If the majority has not yet sanctioned some desired breach of action demanded by special interest, the propaganda machine goes into operation and the pollsters relay the information back to politicians who are seeking legitimacy in their endeavors. The rule of law and the Constitution have become irrelevant, and we live by constant polls.

This trend toward authoritarian democracy was tolerated because, unlike a military dictatorship, it was done in the name of benevolence, fairness, and equity. The pretence of love and compassion by those who desire to remold

society and undermine the Constitution convinced the recipients and even the victims of its necessity.

Since it was never a precipitous departure from the Republic, the gradual erosion of liberty went unnoticed, but it is encouraging that more and more citizens are realizing just how much has been lost by complacency.

The resolution to the problems we face as a result of this profound transition to pure democracy will be neither quick nor painless. This transition has occurred even though the word "democracy" does not appear in the Constitution and the Declaration of Independence. The Founders explicitly denounced it.

Over the last hundred years the goal of securing individual liberties within the framework of a constitutional republic has been replaced with incessant talk of democracy and fairness. Rallying support for our ill-advised participation in World War I, Wilson spoke glowingly of making the world safe for democracy and never mentioned national security. This theme has to this day persisted in all our foreign affairs. Neoconservatives now brag of their current victories in promoting what they call "hard Wilsonism."

A true defense of self-determination for all people, the necessary ingredient of a free society is ignored. Self-determination implies separation of smaller governments from the larger entities that we witnessed in the breakup of the Soviet Union. This notion contradicts the goal of pure democracy and world government. A single world government is the ultimate goal of all social egalitarians who are unconcerned with liberty.

Today, the concepts of rights and property ownership are completely arbitrary. Congress, the courts, Presidents and bureaucrats arbitrarily legislate on a daily basis, seeking only the endorsement of the majority. Although the Republic was designed to protect the minority against the dictates of the majority, today we find the reverse. The Republic is no longer recognizable.

Supporters of democracy are always quick to point out one of the perceived benefits of this system is the redistribution of wealth by government to the poor. Although this may be true in a limited fashion, the champions of this system never concern themselves with the victims from whom the wealth is stolen. The so-called benefits are short lived because democracy consumes wealth with little concern for those who produce it. Eventually, the programs cannot be funded, and the dependency that has developed precipitates angry outcries for even more fairness.

Since reversing the tide against liberty is so difficult, this unworkable system inevitably leads to various forms of tyranny. As our Republic crumbles, voices of protest grow louder. The central government becomes more authoritarian with each crisis. As

the equality of education plummets, the role of the Federal Government is expanded. As the quality of medical care collapses, the role of the Federal Government in medicine is greatly increased.

Foreign policy failures precipitate cries for more intervention abroad and an even greater empire. Cries for security grow louder and concern for liberty languishes.

A tax on our homeland form a massive increase in the bureaucracy to protect us from all dangers seen and imagined.

The prime goal of the concern of the Founders, the protection of liberty, is ignored. Those expressing any serious concern for personal liberty are condemned for their self-centeredness and their lack of patriotism. Even if we could defeat the al Qaeda, which is surely a worthwhile goal, it would do little to preserve our liberties, while ignoring the real purpose of our government. Another enemy would surely replace it, just as the various groups of so-called barbarians never left the Roman Empire alone once its internal republican structure collapsed.

Once it becomes acceptable to change the rules by majority vote, there are no longer any limits on the power of the government. When the Constitution can be subverted by mere legislative votes, executive orders or judicial degrees, constitutional restraints on the government are eliminated. This process was rare in the early years of our history, but now it is routine.

Democracy is promoted in the name of fairness in an effort to help some special interest group receive a benefit that it claims it needs or is entitled to. If only one small group were involved, nothing would come of the demands, but coalitions develop and the various groups ban together to form a majority, to vote themselves all those things that they expect others to provide for them.

Although the motivating factor is frequently the desire for the poor to better themselves through the willingness of others to sacrifice for what they see as a good cause, the process is doomed to failure. Governments are inefficient and the desired goals are rarely achieved. Administrators who benefit perpetuate the programs. Wealthy elites learn to benefit from the system in a superior fashion over the poor because they know how to skim the cream off the top of all the programs designed for the disadvantaged. They join the various groups in producing the majority vote needed to fund their own special interest.

Public financing of housing, for instance, benefits builders, bureaucrats, insurance companies and financial institutions while the poor end up in drug-invested, crime-ridden housing projects. For the same reason, not only do business leaders not object to this system but they also become strong supporters of welfare programs and foreign aid.

Big business strongly supports programs like the Export Import Bank, the IMF, the World Bank, foreign subsidies and military adventurism. Tax Code revisions and government contracts mean big profits for those who are well-connected. Concern for individual liberty is pushed to the bottom of the priority list for both the poor and the rich welfare recipients.

Prohibitions placed in the Constitution against programs that serve special interests are the greatest threat to the current system of democracy under which we operate. In order for the benefits to continue, politicians must reject the rule of law and concern themselves only with the control of majority opinion. Sadly, that is the job of almost all politicians. It is clearly the motivation behind the millions spent on constant lobbying, as well as the billions spent on promoting the right candidate in each election.

Those who champion liberty are rarely heard from. The media, banking, insurance, airlines, transportation, financial institutions, government employees, the military industrial complex, the education system and the medical community are all dependent on government appropriations resulting in a high-stakes system of government.

Democracy encourages the mother of all political corruption, the use of political money to buy influence. If the dollars spent in this effort represent the degree to which democracy has won out over the rule of law and the Constitution, it looks like the American Republic is left wanting. Billions are spent on the endeavor. Money and politics is the key to implementing policy and swaying democratic majorities. It is seen by most Americans, and rightly so, as a negative and danger. Yet the response, unfortunately, is only more of the same.

More laws tinkering with freedom of expression are enacted in hopes that regulating sums of private money thrown into the political system will curtail the abuse; but failing to understand the cause of the problem, lack of respect for the Constitution and obsession with legislative relativity dictated by the majority serve only to further undermine the rule of law.

We were adequately warned about this problem. Democracies lead to chaos, violence and bankruptcy. The demands of the majority are always greater than taxation alone can provide. Therefore, control of the monetary and banking system is required for democracies to operate.

It was no accident in 1913 when the dramatic shift toward democracy became pronounced that the Federal Reserve was established. A personal income tax was imposed as well. At the same time, popular election of Senators was instituted, and our foreign policy became aggressively interventionist. Even with an income tax, the planners for war and welfare knew that it would become necessary to eliminate

restraints on the printing of money. Private counterfeiting was a heinous crime, but government counterfeiting and fractional reserve banking were required to seductively pay for the majority's demands.

□ 1415

It is for this reason that democracies always bring about currency debasement through inflation of the money supply.

Some of the planners of today clearly understand the process. And others, out of ignorance, view central bank money creation as a convenience with little danger. That is where they are wrong. Even though the wealthy and the bankers support paper money, believing they know how to protect against its ill effects, many of them are eventually dragged down in the economic downturns that always develop. It is not a new era that they have created for us today, but more of the same endured throughout history by so many other nations.

The belief that democratic demands can be financed by deficits, credit creation, and taxation is based on false hope and failure to see how it contributes to the turbulence as the democracy collapses. Once a nation becomes a democracy, the whole purpose of government changes. Instead of the government's goal being that of guaranteeing liberty, equal justice, private property and voluntary exchange, the government embarks on the impossible task of achieving economic equality and micromanaging the economy and protecting citizens from themselves in all their activities.

The destruction of the wealth-building process, which is inherent in a free society, is never anticipated. Once it is realized it has been undermined, it is too late to easily reverse the attacks against limited government and personal liberty. Democracy, by necessity, endorses special interest interventionism, inflationism and corporatism. In order to carry out the duties now expected of the government, power must be transferred from the citizens to the politicians. The only thing left is to decide which group or groups have the greatest influence over the government officials.

As the wealth of the nation dwindles, competition between the special interest groups grows more intense and becomes the dominant goal of all political action. Restoration of liberty, the market, and personal responsibilities are of little interest and are eventually seen as impractical. Power and public opinion become crucial factors in determining the direction of all government expenditures.

Although both major parties now accept the principles of rule of majority and reject the rule of law, the beneficiaries for each party are generally different, although they frequently overlap. Propaganda, demagoguery, and control of the educational system

and the media are essential to directing the distribution of the loot the government steals from those who are still honestly working for a living.

The greater problem is that nearly everyone receives some government benefit and, at the same time, contributes to the Treasury. Most hope they will get back more than they pay in and, therefore, go along with the firmly entrenched system. Others, who understand and would choose to opt out and assume responsibility for themselves, are not allowed to and are forced to participate. The end only comes with the collapse of the system, since a gradual and logical reversal of the inexorable march toward democratic socialism is unachievable. Soviet-style communism dramatically collapsed once it was recognized that it could no longer function, and a better system replaced it. It became no longer practical to pursue token reforms like those that took place over its 70-year history.

The turmoil and dangers of pure democracy are known. We should get prepared. But it will be the clarity with which we plan its replacement that determines the amount of pain and suffering endured during the transition to another system. Hopefully, the United States Congress and other government leaders will come to realize the seriousness of our current situation and replace the business-as-usual attitude, regardless of political demands and growing needs of a boisterous majority.

Simply stated, our wealth is running out, and the affordability of democracy is coming to an end. History reveals that once majorities can vote themselves largesse, the system is destined to collapse from within. But in order to maintain the special interest system for as long as possible, more and more power must be given to an ever-expanding central government, which of course only makes matters worse. The economic shortcomings of such a system are easily understood. What is too often ignored is that the flip side of delivering power to government is the loss of liberty to the individual. This loss of liberty causes exactly what the government does not want: Less productive citizens who can't pay taxes.

Even before 9-11 these trends were in place, and proposals were abundant for restraining liberty. Since 9-11 the growth of centralized government and the loss of privacy and personal freedoms have significantly accelerated. It is in dealing with homeland defense and potential terrorist attacks that the domestic social programs and the policy of foreign intervention are coming together and precipitating a rapid expansion of the state and an erosion of personal liberty.

Like our social welfarism at home, our foreign meddling and empire-building abroad are a consequence of our becoming a pure democracy. The dramatic shift away from the Republic that occurred in 1913, as expected, led to a bold change of purpose in foreign

affairs. The goal of making the world safe for democracy was forcefully put forth by Wilson. Protecting national security had become too narrow a goal and selfish in purpose. An obligation for spreading democracy became a noble obligation backed by a moral commitment every bit as utopian as striving for economic equality in an egalitarian society here at home.

With the growing affection for democracy, it was no giant leap to assume that majority opinion should mold personal behavior. It was no mere coincidence that the 18th amendment, alcohol prohibition, was passed in 1919.

Ever since 1913, all our Presidents have endorsed meddling in the internal affairs of other nations and have given generous support to the notion that a world government would facilitate the goals of democratic welfare or socialism. On a daily basis we hear that we must be prepared to send our money and use our young people to police the world in order to spread democracy. Whether it is Venezuela or Colombia, Afghanistan or Pakistan, Iran, Iraq, Korea or Vietnam, our intervention is always justified with the tone of moral arrogance that it is for their own good. Our policymakers promote democracy as a cure-all for the various complex problems of the world. Unfortunately, the propaganda machine is able to hide the real reasons for our empire-building.

Promoting democracy overseas merely becomes a slogan for doing things that the powerful and influential strive to do for their own benefit. To get authority for these overseas pursuits, all that is required of the government is that the majority be satisfied with the stated goals no matter how self-serving they may be. The rule of law, that is constitutional restraint, is ignored. But as successful as the policy may be on the short run, and as noble as it may be portrayed, it is a major contributing factor to the violence and chaos that eventually come from pure democracy.

There is abundant evidence that the pretense of spreading democracy contradicts the very policies we are pursuing. We preach about democratic elections, but we are only too willing to accept some for-the-moment friendly dictator who actually overthrew a democratically elected leader or to interfere in some foreign election. This is the case with Pakistan's Musharraf. For a temporary alliance, he reaped hundreds of millions of dollars, even though strong evidence exists that the Pakistanis have harbored and trained al Qaeda terrorists, that they have traded weapons with North Korea, and that they possess weapons of mass destruction.

No one should be surprised that the Arabs are confused by our overtures of friendship. We have just recently promised billions of dollars to Turkey to buy their support for the new Persian Gulf War. Our support of Saudi Arabia, in spite of its ties to the al Qaeda, is fi-

nancing and training. It is totally ignored by those obsessed with going to war against Iraq. Saudi Arabia is the furthest thing from a democracy. As a matter of fact, if democratic elections were permitted, the Saudi Government would be overthrown by a bin Laden ally.

Those who constantly preach global government and democracy ought to consider the outcome of their philosophy in a hypothetical Mideast regional government. If these people were asked which country in this region possessed weapons of mass destruction, had a policy of oppressive occupation, and constantly defies U.N. council resolutions, the vast majority would overwhelmingly name Israel. Is this ludicrous? No. This is what democracy is all about and what can come from a one man, one vote philosophy.

U.S. policy supports the overthrow of the democratically elected Chavez government in Venezuela because we do not like the economic policy it pursues. We support a military takeover as long as the new dictator will do as we tell him.

There is no credibility in our contention that we really want to impose democracy on other nations, yet promoting democracy is the public justification for our foreign intervention. It sounds so much nicer than saying we are going to risk the lives of young people and massively tax our citizens to secure the giant oil reserves of Iraq. After we take over Iraq, how long would one expect it to take until there are authentic nationwide elections in that country? The odds of that happening in even 100 years are remote. It is virtually impossible to imagine a time when democratic elections would ever occur for the election of leaders in a constitutional republic dedicated to the protection of liberty anyplace in the region.

The tragedy of 9-11 and its aftermath dramatizes so clearly how a flawed foreign policy has served to encourage the majoritarians determined to run everyone's life. Due to its natural inefficiencies and tremendous cost, a failing welfare state requires an ever-expanding authoritarian approach to enforce mandates, collect the necessary revenues, and keep afloat an unworkable system. Once the people grow to depend on government subsistence, they demand its continuation.

Excessive meddling in the internal affairs of other nations, and involving ourselves in every conflict around the globe has not endeared the United States to the oppressed of the world. The Japanese are tired of us, the South Koreans are tired of us, the Europeans are tired of us, the Central Americans are tired of us, the Filipinos are tired of us, and, above all, the Arab Muslims are tired of us. Angry and frustrated by our persistent bullying, and disgusted with having their own government bought and controlled by the United States, joining a radical Islamic movement was a natural and predictable consequence for Muslims.

We believe bin Laden when he takes credit for an attack on the West, and we believe him when he warns us of an impending attack, but we refuse to listen to his explanation of why he and his allies are at war with us. Bin Laden claims are straightforward. The U.S. defiles Islam with bases on the Holy Land and Saudi Arabia, its initiation of war against Iraq, with 12 years of persistent bombing, and its dollars and weapons being used against the Palestinians, as the Palestinian territory shrinks and Israel's occupation expands.

There will be no peace in the world for the next 50 years or longer if we refuse to believe why those who are attacking us do it. To dismiss terrorism as a result of Muslims hating us because we are rich and free is one of the greatest foreign policy frauds ever perpetuated on the American people. Because the propaganda machine, the media, and the government have restated this so many times, the majority now accept it as face value, and the administration gets the political cover it needs to pursue a holy war for democracy against the infidels who hate us for our goodness.

Polling on the matter is followed closely and, unfortunately, is far more important than the rule of law. Do we hear the pundits talk of constitutional restraints on Congress and the administration? No. All we ever hear are the reassurances that the majority support the President; therefore, it must be all right.

The terrorist attacks are related to our severely flawed foreign policy of intervention. They also reflect the shortcomings of a bureaucracy that is already big enough to know everything it needs to know about impending attacks, but too cumbersome to do anything about it. Bureaucratic weaknesses within a fragile welfare state provide a prime opportunity for those whom we antagonize by our domination over world affairs and global wealth to take advantage of our vulnerability.

What has been our answer to the shortcomings of policies driven by manipulated majority opinion by the powerful elite? We have responded by massively increasing the Federal Government's policing activity to hold American citizens in check and make sure we are well behaved and pose no threat, while massively expanding our aggressive presence around the world. There is no possible way these moves can make us more secure against terrorism, yet they will accelerate our march toward national bankruptcy with a currency collapse.

Relying on authoritarian democracy and domestic and international meddling only moves us sharply away from a constitutional republic and the rule of law and toward the turbulence of a decaying democracy about which Madison and others had warned. Once the goal of liberty is replaced by a preconceived notion of the benefits and

the moral justification of a democracy, a trend toward internationalism and world government follows. We certainly witnessed this throughout the 20th century. Since World War II, we have failed to follow the Constitution in taking this country to war, but instead have deferred to the collective democratic wisdom of the United Nations.

□ 1430

Once it is recognized that ultimate authority comes from an international body, whether it is the United Nations, NATO, the WTO, the World Bank or the IMF, the contest becomes a matter of who holds the reins of power and is able to dictate what is perceived as the will of the people in the world.

In the name of democracy, just as it is done in Washington, powerful nations with the most money will control the United Nations policy. Bribery, threats and intimidation are common practices used to achieve a democratic consensus, no matter how controversial and short-lived the benefits.

Can one imagine what it might be like if true worldwide democracy existed and the United Nations were controlled by a world-wide, one man/one vote philosophy? The masses of China and India could vote themselves whatever they needed from the more prosperous Western countries. How long would a world system last based on this absurdity? Yet this is the principle that we are working so hard to impose on ourselves and others around the world.

In spite of the great strides made toward one-world government based on egalitarianism, I am optimistic that this utopian nightmare will never come to fruition. I have already made the case that here at home powerful special interests take over controlling majority opinion, making sure fairness in distribution is never achieved. This fact causes resentment and becomes so expensive that the entire system becomes unstable and eventually collapses.

The same will occur internationally, even if it miraculously did not cause conflict among the groups demanding the loot confiscated from the producing individuals or countries. Democratic socialism is so destructive to production of wealth that it must fail, just as socialism failed under communism. We have a long way to go before old-fashioned nationalism is dead and buried. In the meantime, the determination of those promoting democratic socialism will cause great harm to many people before its chaotic end and we rediscover the basic principle responsible for all of human progress.

With the additional spending to wage war against terrorism at home, while propping up an ever-expensive and failing welfare state, and the added funds needed to police the world, all in the midst of a recession, we are destined to see an unbelievably huge explosion of deficit spending. Raising taxes will not

help. Borrowing the needed funds for the budgetary deficit, plus the daily borrowing from foreigners required to finance our ever-growing account deficit, will put tremendous pressure on the dollar.

The time will come when the Fed will no longer be able to dictate low interest rates. Reluctance of foreigners to lend, the exorbitant size of our borrowing needs, and the risk premium will eventually send interest rates upward. Price inflation will accelerate and the cost of living for all Americans will increase. Under these conditions, most Americans will face a decline in their standard of living.

Facing this problem of paying for past and present excess spending, the borrowing and inflating of the money supply has already begun in earnest. Many retirees, depending on their 401(k) funds and other retirement programs, are suffering the ill effects of the stock market crash, a phenomenon that still has a long way to go. Depreciating the dollar by printing excessive money, like the Fed is doing, will eventually devastate the purchasing power of those retirees who are dependent on Social Security. Government cost-of-living increases will never be able to keep up with the loss. The elderly are already unable to afford the inflated cost of medical care, especially the cost of pharmaceuticals.

The reality is that we will not be able to inflate, tax, spend or borrow our way out of this mess that the Congress has delivered to the American people.

The demands that come with pure democracy always lead to an unaffordable system that ends with economic turmoil and political upheaval. Tragically, the worse the problems get, the louder is the demand for more of the same government programs that caused the problems in the first place, both domestic and international. Weaning off of government programs and getting away from foreign meddling because of political pressure are virtually impossible. The end comes only after economic forces make it clear we can no longer afford to pay for the extravagance that comes from the democratic dictates.

Democracy is the most excessive form of government. There is no "king" with an interest in preserving the nation's capital. Everyone desires something, and the special-interest groups, banding together, dictate to the politicians exactly what they want and need. Politicians are handsomely rewarded for being "effective," that is, getting the benefits for the groups that support them. Effectiveness is never measured by efforts and achievements in securing liberty, even though it is the most important element in a prosperous and progressive world.

Spending is predictable in a democracy, especially one that endorses foreign interventionism. It always goes up, both in nominal terms and in percentage of the nation's wealth.

Paying for it can be quite complicated. The exact method is less consequential than the percent of the nation's wealth the government commands. Borrowing and central bank credit creation are generally used and are less noticeable, but more deceitful, than direct taxation to pay as we go.

If direct taxation were accomplished through monthly checks written by each taxpayer, the cost of government would immediately be revealed, and the democratic con game would end much more quickly.

The withholding principle was devised to make paying for the programs the majority demanded seem less painful. Passing on debt to the next generation through borrowing is also a popular way to pay for welfare and warfare. The effect of inflating a currency to pay the bills is difficult to understand and the victims are hard to identify. Inflation is the most sinister method of payment for a welfare state. It, too, grows in popularity as the demands increase for services that are not affordable.

Although this appears to be a convenient and cheap way to pay the bills, the economic consequences of lost employment, inflated prices and economic dislocation make the long-term consequences much more severe than paying as we go. Not only is this costly in terms of national wealth, it significantly contributes to the political chaos and loss of liberty that accompany the death throes of a doomed democracy.

This does not mean that direct taxes will not be continuously raised to pay for out-of-control spending. In a democracy, all earned wealth is assumed to belong to the government. Therefore, not raising taxes, cutting taxes, or granting tax credits are considered "costs" of government. Once this notion is established, tax credits or cuts are given only under condition that the beneficiaries conform to the democratic consensus. Freedom of choice is removed, even if a group is merely getting back control of that which was rightfully theirs in the first place.

Tax-exempt status for various groups is not universal but is conditioned on whether their beliefs and practices are compatible with politically correct opinions endorsed by the democratic majority. This concept is incompatible with the principles of private-property ownership and individual liberty. In contrast, in a free society, all economic and social decision-making is controlled by private property owners without government intrusion, as long as no one is harmed in the process.

The vast majority of the American people have come to accept democracy as a favorable system and are pleased with our efforts to pursue Wilson's dream of making the world safe for democracy. But the goals of pure democracy and that of a constitutional republic are incompatible. A clear understanding of the difference is paramount, if we are to remain a free and prosperous Nation.

There are certain wonderful benefits in recognizing the guidance that majority opinion offers. It takes a consensus or prevailing attitude to endorse the principles of liberty and a constitution to protect them. This is a requirement for the rule of law to succeed. Without a consensus, the rule of law fails. This does not mean that the majority or public opinion, measured by polls, court rulings or legislative bodies should be able to alter the constitutional restraints on the government's abuse of life, liberty and property. But in a democracy that happens, and we know today that is happening in this country on a routine basis.

In a free society with totally free markets, the votes by consumers through their purchases or refusal to purchase determine which businesses survive and which fail. This is free-choice democracy, and it is a powerful force in producing and bringing about economic efficiency. In today's democracy by decree, government laws dictate who receives the benefit and who gets shortchanged. Conditions of employment and sales are taxed and regulated at varying rates, and success or failure is too often dependent on government action than by consumers' voting in the marketplace by their spending habits. Individual consumers by their decisions should be in charge, not governments armed with mandates from the majority.

Even a system of free market money, a redeemable gold coin standard, functions through the principle of consumers always voting or withholding support for that currency. A gold standard can only work when freely converted into gold coins, giving every citizen a right to vote on a daily basis for or against the government's money.

It is too late to avoid the turbulence and violence that Madison warned us about. It has already started. But it is important to minimize the damage and prepare a way for the restoration of the Republic. The odds are not favorable, but not impossible. No one can know the future with certainty. The Soviet system came to an abrupt end with less violence than could ever have been imagined at the height of the Cold War. It was a pleasant surprise.

Interestingly enough, what is needed is a majority opinion, especially by those who find themselves in leadership roles, whether political, educational or in the media, that rejects democracy and supports the rule of law within the Republic. This majority support is essential for the preservation of the freedom and prosperity with which America is identified.

This will not occur until we as a Nation once again understand how freedom serves the interests of everyone. Henry Grady Weaver, in his 1947 classic, "The Mainspring of Human Progress," explains how it works. His thesis is simple. Liberty permits progress, while government intervention tends always to tyranny. Liberty releases creative energy; government

intervention suppresses it. This release of energy was never greater than in the time following the American Revolution and the writing of the U.S. Constitution.

Instead of individual activity being controlled by the government or superstitious beliefs about natural and mystical events, the activity is controlled by the individual. This understanding recognizes the immense value in voluntary cooperation and enlightened self-interests. Freedom requires self-control and moral responsibility. No one owes anyone else anything and everyone is responsible for his or her own acts. The principle of never harming one's neighbor, or never sending the government to do the dirty work, is key to making the system tend to peaceful pursuits and away from the tyranny and majority-induced violence. Nothing short of a reaffirmation of this principle can restore the freedoms once guaranteed under the Constitution. Without this, prosperity for the masses is impossible; and as a Nation we become more vulnerable to outside threats.

In a Republic, the people are in charge. The Constitution provides strict restraints on the politicians, bureaucrats and the military. Everything the government is allowed to do is only done with explicit permission from the people or the Constitution.

Today, it is the opposite. The American people must get permission from the government for their every move, whether it is the use of their own property or spending their own money. Even the most serious decisions, such as going to war, are done while ignoring the Constitution and without a vote of the people's representatives in the Congress. Members of the global government have more to say about when American troops are put in harm's way than the U.S. Congress. The Constitution no longer restrains the government. The government restrains the people in all they do. This destroys individual creative energy, and the "mainspring of human progress" is lost. The consequences are less progress, less prosperity, and less personal fulfillment.

A system that rejects voluntary contracts, enlightened self-interests and individual responsibilities permits the government to assume these responsibilities. And the government officials become morally obligated to protect us from ourselves, attempting to make us better people and setting standards for our personal behavior. That effort is already in full swing. But if this attitude prevails, liberty is gone.

When government assumes the responsibility for individuals to achieve excellence and virtue, it does so at the expense of liberty and must resort to force and intimidation. Standards become completely arbitrary, depending on the attitude of those in power and the perceived opinion of the majority. Freedom of choice is gone.

This leads to inevitable conflicts with the government dictating what

one can eat, drink, smoke, or whatever. One group may promote abstinence, the other tax-supported condom distribution. Arguments over literature, prayer, pornography and sexual behavior are endless. It is now not even permissible to mention the word "God" on public property. A people who allows its government to set personal moral standards for all nonviolent behavior will naturally allow it to be involved in the more important aspects of spiritual life. For instance, there are tax deductions for churches that are politically correct, but not for those whose benefits are considered out of the mainstream.

□ 1445

Groups that do not meet the official politically correct standards are more likely to be put on the terrorist list.

This arbitrary and destructive approach to solving difficult problems must be rejected if we ever hope to live again in a society where the role of government is limited to that of protecting freedom.

The question I am most often asked when talking about this subject is why do our elected leaders so easily relinquish liberty and have so little respect for the Constitution? The people of whom I speak are convinced that liberty is good and big government is dangerous. They also are quite certain that we have drifted a long way from the principles that made America great, and their bewilderment continuously elicits a big "why?"

There is no easy answer to this and no single explanation. It involves temptation, envy, greed and ignorance, but worst of all humanitarian zeal. Unfortunately, the greater the humanitarian outreach, the greater the violence required to achieve it. The greater the desire to perform humanitarian deeds through legislation, the greater is the violence required to achieve it.

Few understand this. There are literally no limits to the good deeds that some believe need to be done. Rarely does anyone question how each humanitarian act by government undermines the essential element of all human progress: individual liberty.

Failure of government programs prompts more determined efforts, while the loss of liberty is ignored or rationalized away. Whether it is the war against poverty, drugs, terrorism, or the current Hitler of the day, an appeal to patriotism is used to convince the people that a little sacrifice, here and there, of liberty is a small price to pay.

The results, though, are frightening and will soon even become more so. Poverty has been made worse. The drug war is a bigger threat than drug use. Terrorism remains a threat, and foreign wars have become routine and decided upon without congressional approval.

Most of the damage to liberty and the Constitution is done by men and women of goodwill who are convinced

they know what is best for the economy, others, and foreign powers. They inevitably fail to recognize their own arrogance in assuming they know what is the best personal behavior for others. Their failure to recognize the likelihood of mistakes by central planners allows them to ignore the magnitude of a flawed central government directive compared to an individual or a smaller unit of government mistake.

C.S. Lewis had an opinion on this subject: "Of all tyrannies, a tyranny sincerely exercised for the good of its victim may be the most oppressive. It may be better to live under robber barons than under omnipotent moral busybodies. The robber baron's cruelty may sometimes sleep, his cupidity may at some times be satiated, but those who torment us for our own good will torment us without end for they do so with the approval of their own conscience."

A system that is based on majority vote rather than the strict rule of law encourages the few who thrive on power and exerting authority over other people's lives, unlike the many driven by sincere humanitarian concerns. Our current system rewards those who respond to age-old human instincts of envy and greed as they gang up on those who produce. Those individuals who are tempted by the offer of power are quick to accommodate those who are the most demanding of government-giveaway programs and government contracts. These special interest groups notoriously come from both the poor and the rich, while the middle class is required to pay.

It is not a coincidence that in the times of rapid monetary debasement, the middle class suffers the most from the inflation and the job losses that monetary inflation brings. When inflation is severe, which it will become, the middle class can be completely wiped out. The stock market crash gives us a hint as to what is likely to come as this country is forced to pay for the excesses sustained over the past 30 years while operating under a fiat monetary system.

Eric Hoffer, the longshoreman philosopher, commented on this subject as well. "Absolute power corrupts even when exercised for humane purposes. The benevolent despot who sees himself as a shepherd of the people still demands from others the submissiveness of sheep."

Good men driven by a desire for benevolence encourage the centralization of power. The corruptive temptation of power is made worse when domestic and international interventions go wrong and feed into the hate and envy that invade men's souls when the love of liberty is absent.

Those of goodwill who work to help the downtrodden do so not knowing they are building a class of rulers who will become drunk with their own arrogance and a lust for power. Generally only a few in a society yield to the urge to dictate to others and seek

power for the sake of power and then abuse it. Most members of society are complacent and respond to propaganda, but they unite in the democratic effort to rearrange the world in hopes of gaining benefits through coercive means and convince themselves they are helping their fellow man as well. A promise of security is a powerful temptation for many.

A free society, on the other hand, requires these same desires be redirected. The desire for power and authority must be over one's self alone. The desire for security and prosperity should be directed inwardly rather than toward controlling others. We cannot accept the notion that the gang solution endorsed by the majority is the only option. Self-reliance and personal responsibility are crucial.

But there is also a problem with economic understanding. Economic ignorance about the shortcomings of central economic planning, excessive taxation and regulations, central bank manipulation of money, and credit and interest rates is pervasive in our Nation's Capital. A large number of conservatives now forcefully argue that deficits do not matter. Spending programs never shrink no matter whether conservatives or liberals are in charge. Rhetoric favoring free trade is cancelled out by special interest protectionist measures. Support of international government agencies that manage trade such as the IMF, the World Bank, the WTO, and NAFTA politicizes international trade and eliminates any hope that free-trade capitalism will soon emerge.

The Federal Government will not improve on its policies until the people coming to Washington are educated by a different breed of economists than those who dominate our government-run universities. Economic advisors and most officeholders merely reflect the economics taught to them. A major failure of our entire system will most likely occur before serious thought is given once again to the guidelines laid out in the Constitution.

The current economic system of fiat money and interventionism, both domestic and international, serve to accommodate the unreasonable demands for government to take care of the people, and this, in turn, contributes to the worst of human instincts: authoritarian control by the few over the many.

We as a Nation have lost our understanding of how the free market provides the greatest prosperity for the greatest number. Not only have most of us forgotten about the invisible hand of Adam Smith, few have ever heard of Mises and Hayek and Rothbart, the individuals who understood exactly why all economic ups and downs in the 20th century occurred, as well as the cause of the collapse of the Soviet Union.

But worst of all we have lost our faith in freedom. Materialistic concerns and desire for security drive our national politics. This trend has been sharply accelerated since 9-11.

Understanding the connection between liberty, prosperity and security has been lost. The priorities are backwards. Prosperity and security come from liberty. Peace and the absence of war come from a consequence of liberty and free trade. The elimination of ignorance and restraints on do-goodism and authoritarianism in a civilized society can only be achieved through a contractual arrangement between the people and the government, in our case the U.S. Constitution. This document was the best ever devised for releasing the creative energy of a free people while strictly holding in check the destructive powers of government. Only the rule of law can constrain those who by human instinct look for a free ride while delivering power to those few, found in every society, whose only goal in life is a devilish desire to rule over others.

The rule of law in a republic protects free-market activity and private property ownership and provides for equal justice under the law. It is this respect for law and rights over government power that protects the mainspring of human progress from the enemies of liberty. Communists and other Socialists have routinely argued that the law is merely a tool of the powerful capitalists.

But they have it backwards. Under democracy and fascism, the pseudocapitalists write the laws that undermine the Constitution and jeopardize the rights and property of all citizens. They fail to realize that the real law, the Constitution, itself guarantees the rights and equal justice and permits capitalism, thus guaranteeing progress.

Arbitrary, ever-changing laws are the friends of dictators. Authoritarians argue constantly that the Constitution is a living document and that rigid obedience to ideological purity is the enemy that we should be most concerned about. They would have us believe that those who cherish strict obedience to the rule of law in the defense of liberty are wrong merely because they demand ideological purity. They fail to demand that their love of relative rights and pure democracy is driven by a rigid obedience to an ideology as well. The issue is never rigid beliefs versus reasonable friendly compromise. In politics it is always competition between two strongly held ideologies. The only challenge for men and women of goodwill is to decide the wisdom and truth of the ideologies offered.

Nothing short of restoring a republican form of government with strict adherence to the rule of law, and curtailing illegal government programs, will solve our current and evolving problems.

Eventually the solution will come with the passage of the liberty amendment. Once there is serious debate on this amendment, we will know that the American people are considering the restoration of the constitutional republic

and a protection of individual liberty.

COMMUNICATION FROM HON.
NANCY PELOSI, DEMOCRATIC
LEADER

The SPEAKER pro tempore (Mr. PUTNAM) laid before the House the following communication from NANCY PELOSI, Democratic leader:

HOUSE OF REPRESENTATIVES,
OFFICE OF THE DEMOCRATIC LEADER,
Washington, DC, January 29, 2003.

Hon. J. DENNIS HASTERT,
*Speaker of the House of Representatives, The
Speaker's Room, Washington, DC.*

DEAR MR. SPEAKER: Pursuant to 50 U.S.C. 401, section 1002(b) of the Intelligence Authorization Act, I hereby appoint to the National Commission for the Review of the Research and Development Programs of the United States Intelligence Community: Representatives Zoe Lofgren (D-CA) and Maurice Sonnenberg.

Best,

NANCY PELOSI,
Democratic Leader.

MEDICARE PRIVATIZATION

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

Mr. BROWN of Ohio. Mr. Speaker, last night the President said that seniors deserve enhanced preventative benefits and prescription drug coverage.

Seniors do deserve these benefits. What they do not deserve is being patronized, manipulated, and short-changed, particularly when the quality of their health care and their future financial security are at stake.

When the President said that seniors happy with the current Medicare system should be able to keep their coverage just the way it is, we all applauded. What he obviously means is this: If they are unwilling to leave Medicare and join an HMO, then they actually do not deserve preventative benefits and drug coverage, and they will not get any.

The President has every right to push his privatization agenda, Medicare privatization, Social Security privatization, but not by co-opting an issue as emotional and as important as prescription drug coverage. The President cannot go unchallenged when he mischaracterizes Medicare as a failed program.

My friends on the other side of the aisle continue to lambast, continue to criticize, continue to ridicule the Medicare program as a failed program so that then they can justify their goal of privatizing it.

The President in his budget, in his orders from the White House at HHS, recently dropped provisions to serve the general public, the Medicare public, in seminars asking questions, learning more about Medicare so that when seniors were overcharged, they would have some recourse. The Presi-

dent and his people at HHS are doing all they can to cut those Medicare services to make Medicare function more poorly so that Medicare does not serve the public as well, justifying their privatization of Medicare.

The retirement safety net was not put in place by Democrats because we wanted to make the Federal Government bigger, and it should not be dismantled by conservatives just because they want to make Federal Government smaller. The safety net was put in place because the private sector could not make a profit offering health insurance to seniors; so they did not offer it. That is why when Medicare was begun in 1965 by a Democratic President, Democratic House, Democratic Senate, with only 11 Republicans supporting the vote on Medicare. That is why it was created, because 35 years ago 50 percent of seniors in this country had no health insurance. Today almost every senior has health insurance because of one of the greatest programs in American history: Medicare.

But what the President of the United States basically said last night as he sat in this Chamber looking in this direction, looking out at Members of Congress, looking at the Ambassadors, looking at his Cabinet, the Supreme Court, looking at people in the gallery, the President said basically if they want prescription drug benefits, they have got to join an HMO to get it. And that is the story of the President's Medicare privatization. If they want prescription drug coverage, if they want preventative care, then they have got to join an HMO, and that is the President's efforts to privatize Medicare.

So I ask my friends on the other side of the aisle. I ask people listening today in this Chamber to understand that the President's plan to privatize Medicare, that the President is using the prescription drug benefit to try to get his plans to privatize Medicare into place.

□ 1500

Again, Mr. Speaker, this whole debate is about the President saying if you want a prescription drug benefit, then you have to drop out of regular Medicare and join one of those HMOs. In some parts of the country there are no HMOs available. In many parts there are. It means you have to give up your choice of physician.

The President talks about choice, but when you are talking about real choice, it is all about fee-for-service traditional Medicare. You can choose your doctor, you can choose your hospital, you can choose your provider.

Under the President's plan, you have a choice. Your choice is stay in Medicare and not have a prescription drug benefit, or you can take a prescription drug benefit and join an HMO.

The Democrats' prescription drug plan is to include a prescription drug benefit inside traditional Medicare. Medicare works very well for the public. It works even better if there is a