

Governor, Governor Christine Whitman, and also the members of my State delegation, the Republicans in my State delegation, New Jersey, all of whom have protested to Speaker GINGRICH and to the Republican leadership that the formula for Medicaid is inadequate and certainly unfair to the State of New Jersey.

□ 1715

Now what the Governor of New Jersey pointed out is that in the next year, in 1996, there will be a 7.2-percent Medicaid grant increase to the States under the formula that Speaker GINGRICH has put forward, but after that, for the fiscal years from 1997 to 2000, there is only a 2-percent annual increase in the amount of money the States get to provide for Medicaid expenses, and essentially what the Governors said, and I quote, is that "we cannot achieve that level of savings, we cannot operate that program with the level of money that we are going to be getting from Medicaid."

So, if I could just conclude by pointing out again, as much as most of the people opposing this Gingrich plan are Democrats, there are a lot of Republicans in my State and in other parts of the country at every level, whether it is the Senate, whether it is the Governors, whether it is the other members of our congressional delegation, or State legislators who are pointing out that there is absolutely no way that we can continue to provide adequate care under the Medicaid Program for our poor people and particularly for our elderly who are the main beneficiaries of the Medicaid Program, and the same concerns are now being expressed as well on the Medicare Program, that this level of cuts that are being proposed by Speaker GINGRICH and the Republican leadership are simply inadequate to provide quality care for our seniors and for the people who are part of the Medicare and Medicaid Programs.

Mr. Speaker, I am pleased to see that the cracks are starting to show, that we are seeing a slowdown in effect in the effort to try to move both of these bills through Congress. We have a week now, next week, and there will be no votes on the floor of the House of Representatives on any bills, and I am hopeful that the momentum will continue to build during this next week so that, when we come back around Columbus Day, there will be even more and more opposition on a bipartisan basis to these terrible changes that are being proposed in the Medicare and Medicaid Programs.

CONGRATULATING NATIONAL  
"VOICE OF DEMOCRACY" WINNER

The SPEAKER pro tempore (Mr. EVERETT). Under the Speaker's announced policy of May 12, 1995, the gentleman from Minnesota [Mr. GUTKNECHT] is recognized for 60 minutes as the designee of the majority leader.

Mr. GUTKNECHT. Mr. Speaker, to begin this special order tonight I would like to read a statement and some passages to pay tribute to a young man in my district. Mr. Speaker, it is my pleasure to pay tribute to a truly remarkable youngster. His name is Niles Randolph, and he is the first-place winner of the Veterans of Foreign Wars "Voice of Democracy" broadcast scriptwriting contest for the State of Minnesota.

Niles is the son of Mr. and Mrs. Jack Randolph and is currently a senior at Mayo High School in Rochester, MN. He was sponsored by VFW Post 1215 and its ladies auxiliary in Rochester.

His interests include football, playing the guitar, soccer, and racquetball. He is also a member of the National Honor Society and has held the offices of 6th grade class officer, 9th grade class officer and 11th grade junior representative.

Niles is interested in attending the University of Wisconsin at Madison or Drake University in Des Moines where he intends to pursue a degree in Public Relations—I am sure he will be very successful.

His essay titled "My Vision for America" was a genuinely patriotic piece of writing, and I am honored to share several passages from that tonight:

I was once told the story of two brothers who quarreled all the time. The father of the boys, to teach a lesson, gave them a bundle of sticks tied together and challenged them to break it. Try as they might, they could not. Then the father untied the sticks and gave each one separately to the boys. He again challenged them to break the sticks. They did with ease. The father then said, "You see my sons, untied as one, the sticks are strong and cannot be broken. Apart, they are weak and vulnerable." No longer did the brothers quarrel.

My vision for America is one of unity. As the story relates, we are strong when tied together. When we are separate, we are weak and vulnerable. When we are together as Americans, free from prejudice, ignorance and selfishness, we are strong. That is my vision for America.

To attain greater unity, I feel we must look at the basic unit of our nation. That unity is the family. The strengthening of the American family is an essential key to the solidarity of our nation. The family is the teacher of moral principles and values, the most influential guide in someone's life. Too many times in modern society do we see the decay of family; failed marriages and single parents, or the increase in gang numbers due to lack of family support. The family has been the backbone of American society throughout our history. It has been the reason America has remained as strong as it has. The family is where it all starts, where everyone develops their character and their values, where everyone must attain their moral principles.

In becoming a more unified nation, we must eliminate prejudice. Racial and sexual prejudice undermine the American idea of equality and equal opportunity.

All of these factors combine to make a unified America. Through patriotism, stronger family bonds, education, and elimination of prejudice, we stand united as one, as the sticks were unbreakable when tied together. Let us maintain our seat as leaders of the

world in morality and virtue. Let us come together in unity. This is my vision for America.

Mr. Speaker, I submit the balance of the text to be printed in the CONGRESSIONAL RECORD:

MY VISION FOR AMERICA

I was once told the story of two brothers who quarreled all the time. The father of the boys, to teach a lesson, gave them a bundle of sticks tied together and challenged them to break it. Try as they might, they could not. Then the father untied the sticks and gave each one separately to the boys. He again challenged them to break the sticks. They did with ease. The father then said, "You see my sons, united as one, the sticks are strong and cannot be broken. Apart, they are weak and vulnerable." No longer did the brothers quarrel.

My vision for America is one of unity. As the story relates, we are strong when united together. When we are separate, we are weak and vulnerable. When we are together as Americans, free from prejudice, ignorance, and selfishness, we are strong. That is my vision for America.

I am a member of my high school football team. Through experience, I have learned that teamwork is the key to winning. When members of the team fight, or become selfish in their interests, they are drawn apart and more often than not, we lose. In order to succeed there must be blockers for each running back and defensive support on every play.

I can see a correlation between American society and my football experiences. If we are together in our interests and goals, we will succeed as a nation. If there is sound education for our youth, it is much like having the blocker for the running back. The youth and the running back are much more likely to succeed. If we have a strong family bond and support, it is much like the defensive support, as it reinforces. If we are drawn apart by prejudice and lack of patriotism, it is much like team members fighting or being selfish. Whether in football or in society we must be united to succeed.

To accomplish this goal, we must embrace patriotism. People are often concerned only with their current situations and problems. Nobody must forget the America that has given us such unequalled opportunity and liberty. My vision for America would be a patriotic America. An America concerned about the future of our nation, as the past generations have been concerned. From the times of the Revolutionary War, to the times of Korea and Vietnam, our predecessors have given their very lives for the benefit of America and its future generations.

A revival of these principals and regard for our nation would unquestionably bring us together as Americans.

To attain greater unity, I feel we must look at the basic unit of our nation. That unit is the family. The strengthening of the American family is an essential key to the solidarity of our nation. The family is the teacher of moral principles and values, the most influential guide in someone's life. Too many times in modern society do we see the decay of family; failed marriages and single parents, or the increase in gang numbers due to lack of family support.

The family has been the backbone of American society throughout our history. It has been the reason America has remained as strong as it has. The family is where it all starts, where everyone develops their character and their values, where everyone must attain their moral principles. In the past, families have been the base of America. They can be the base once again. The strengthening of the family unit is my vision for America.

In becoming a more unified nation, we must eliminate prejudice. Racial and sexual prejudice undermine the American ideal of equality and equal opportunity. Only through education can we curb prejudice, as prejudice stems from ignorance. My vision is to eliminate racial and sexual prejudice.

Another aspect of American unity is education. Education, whether in the form of elementary schools or colleges, is the key to a successful future. Only by knowledge can we grow and adapt. The children of tomorrow demand a sound education in order to lead our country in the coming years.

All of these factors combine to make a unified America. Through patriotism, stronger family bonds, education, and elimination of prejudice, we stand united as one, as the sticks were unbreakable when tied together. Let us maintain our seat as leaders of the world in morality and virtue. Let us come together in unity. This is my vision for America.

Mr. Speaker, for the balance of this special order I would like to talk a little. We have heard from the other side of the aisle this evening about some of the things that this Congress has not accomplished. We have heard some complaints about our Medicare reforms and our Medicaid reforms, and I think it would be appropriate tonight to talk a little bit about some of the things that we have accomplished, and I would like to first call attention to a column which appeared about a week ago in the Washington Post by columnist David S. Broder, and even the title of the column, I think, says an awful lot about this Congress, the 104th Congress, and what has really been happening. The title is "A Rout of Historic Proportions," and perhaps I could just read a couple of paragraphs, and the first paragraph starts:

Whatever happens in the final weeks of this session, it is now a certainty that the 104th Congress will go into the history books as one of the most significant in the last half century. It marks as fundamental a rightward turn in domestic policy as the Great Society 89th Congress in the 1965-1966 session did in a turn to the left.

In fact, let me just also close with the last couple of paragraphs where it says unlike Haley Barbour in 1993-1994, the leadership of the Democratic National Committee has been unable to coordinate a single message, nor have they been able to muster the kind of effective interest group and lobbying support that Republicans have used to get their allies in business in a broad range of ideological groups together. The result has been a rout of historic proportions in a Congress which will be long remembered, and I am happy to have with me this evening the gentleman from the great State of Florida [Mr. SCARBOROUGH], and I would like to yield to him to talk a little bit about some of the accomplishments of this Congress, some of the distortions we have heard from the other side, and some of the reasons, as we go forward, we are going to continue to press the agenda and change the way Washington does business.

Mr. SCARBOROUGH. I thank the gentleman from Minnesota [Mr. GUTKNECHT], and certainly thank him

for his leadership throughout this entire process that we have been going through, and, if you look at the Washington Post editorial, it really is a season of change in Washington, DC.

I campaigned, like you and a lot of other people, over a year and a half against all odds to get elected up here to make a difference, to come up here and make a difference, to change the way that Washington works and to change the fundamental concepts that run Washington, DC, and we have done that.

You mentioned the Washington Post editorial and the column that says that this is the most significant Congress in probably 50 years or so. It talks about ending welfare state as we know it. There is a Wall Street Journal article that quotes several, quotes several congressional historians, who say this is not only the most historical Congress in the 20th century, it is probably the most historical House of Representatives session since the 1870's, since Reconstruction, and sometimes when things are moving as fast as they are right now, sometimes people tend to forget all the things that have been accomplished.

You know, if you are like me and like many Americans, the changes that happened after the Iron Curtain came down in 1989, when one Communist country fell after another Communist country fell, it seems that the rate of change happened so much that people started taking it for granted, but look back at what we have accomplished these first 9 months. It is just absolutely staggering.

Mr. HOKE. If the gentleman would yield, one way you can think about this in terms of the difference, or one way, perspective, you can gain from this in terms of looking at where we are at today, is think about what would be happening in this Congress today had the Democrats retained the majority status both here in the House and in the Senate. Think about what the difference would be. Would we be debating at a national level whether we ought to get to a balanced budget in 10 years or 7 years? Would that be what the debate is about, or would it even be remotely on the table that we are talking about getting to a balanced budget at all under any circumstances? And I would submit to you that the answer to that is pretty obviously that we would not be talking about when we are getting to a balanced budget, which is, under our plan, obviously it is 7 years with real numbers. Under the President's plan it—maybe it is 10 years with numbers that have been scored differently by CBO, but in any event you can see clearly how the debate has been moved, and you can be doggone sure that, if the Democrats still controlled the House of Representatives, we would not be talking about that at all.

Mr. SCARBOROUGH. Mr. Speaker, let us just look at recent history to amplify on what the gentleman has

just said. Would we be even talking about to balance a budget at all?

Let us look at what the President of the United States said this summer. In June, he said a balanced budget is not a priority of this Government, we do not need it right now. Then he went up to New Hampshire a month later, which coincidentally happens to be the first primary, and the voters said we need a balanced budget. So the President said we need a balanced budget. Then he came back to Washington. His advisers said we do not need a balanced budget. The President said we do not need a balanced budget. Then he went back up to New Hampshire, and the voters told him we need a balanced budget, and the President said we need a balanced budget, and this goes back and forth. The President did not even know if we needed a balanced budget. The majority of the Democratic Members have been arguing against any plan to balance the budget for over 9 months now. There is no leadership on that side of the aisle to do what over 88 percent of Americans want us to do, and that is just spend as much money as we take in, and, if you look at that, if you look at welfare reform, 1 year ago they are talking about spending more. We are talking about bringing in the reins. If you look at Medicare reform, we have a plan now that saves Medicare. Ask the seniors. Ask AARP. They know it saves Medicare. Again nothing from the other side.

This Shays amendment to make Congress abide by the same laws that the rest of the country has to abide by—look what we are doing in corporate welfare. We are trying to eliminate the Department of Commerce, and who is the defender of corporate welfare? It is the Democrats. Who is the defender of welfare for lobbyists? It is the Democrats.

I mean I just cannot believe the world has changed 180 degrees.

We had on the same day that the Washington Post attacked the Democratic Party for being demagogues on Medicare, the Wall Street Journal attacked the Republican Party for cutting \$35 billion in corporate welfare tax loopholes.

□ 1730

I will take that attack any time. Yes, I admit it before God and country: I am against corporate welfare. I just wish the Members on the other side of the aisle felt the same way about it. Taxpayers work too hard.

Mr. GUTKNECHT. Reclaiming my time, Mr. Speaker, I yield to the gentleman from Connecticut [Mr. SHAYS], the author of the Shays Act. It is important for us to look back and see how much has changed. As you indicated, it is no longer a debate about if we are going to balance the budget, it is a debate about when and exactly how we are going to balance the budget. It is no longer about when we are going to save Medicare, it is about how we are

going to save Medicare. We have completely changed the debate. That all started on the very first day.

I was so privileged to stand on this very place on the first day on the job and be the lead spokesman on the adoption of the rule for the Shays Act, H.R. 1. I was also privileged to have been the first freshman in 100 years to have been invited to the White House for the first bill signing. That was not the only thing we did on the first day. I think sometimes people forget how the paradigm shift began on the very first day.

On the very first day, let us remind ourselves, we slashed the number of committees and committee staffs by one-third. We ended baseline budgeting. We changed the way the budgets are put together around here. We ended proxy voting, so Members actually have to go to committees.

Mr. HOKE. Would you explain, just for the Speaker, because I know that the Speaker is interested in this, but would you explain for the Speaker exactly what the elimination of baseline budgeting means, and know that relates to having the Government work with numbers the same way that you and I and our spouses and our kids work with numbers at home?

Mr. GUTKNECHT. Mr. Speaker, I am not sure I can explain baseline budgeting. Essentially, I think the way it works is that the budget automatically goes up by about 6 percent. Anything you reduce from that is called a cut around Washington. Everywhere else, in every coffee shop, in every family, at every business, when you actually increase spending in real terms from one year to the next, that is called an increase, but with the convoluted baseline budgeting that has been used around here, that is not the way it is.

Mr. SCARBOROUGH. Mr. Speaker, if the gentleman will yield, I think this is important. You are asking a question that gets to the heart of this. If you want to talk about double-speak, Orwellian double-speak, I have seen it.

Mr. HOKE. Voodoo numbers.

Mr. SCARBOROUGH. Voodoo numbers, where in the past a spending increase was called a spending cut. This year when we are talking about abolishing the Department of Commerce, we have Secretary Ron Brown telling us that there is not a penny of corporate welfare in that department, and that abolishing the Department of Commerce will cost the American taxpayers billions and billions of dollars.

Let me get this right, now. According to the Democrats, a spending increase is actually a spending cut, and a spending cut is now called a spending increase. As a Democrat says, "Beam me up, Scotty. I cannot take it anymore. I don't understand that."

Mr. HOKE. Mr. Speaker, if I can borrow the time just for a moment, I actually think this is a critically important point. This one thing that we did, and we did it in the Committee on the Budget, and I know the gentleman from Connecticut [Mr. SHAYS] was

there the day we did it, it is so important to the running of this place, because it means now when we talk about numbers, when we say that we are going to spend 4½ percent more on the School Lunch Program in 1996 than we did in 1995, which is exactly what we are going to do, we are using the same language that everybody else in America uses on a daily basis. We have not been doing this for 20 years.

I will tell you something else, just to be honest. Baseline budgeting did not begin under a Democratic administration, it began under a Republican administration. We brought upon ourselves a great disservice. It is wrong, we have fixed it. And now when we talk about a cut, it means it is a cut from what we spent last year. When we talk about an increase, it means it is an increase over what we spent last year. It is real numbers, it is truth in budgeting.

Mr. GUTKNECHT. Reclaiming my time, just to sort of review again all the things we accomplished on that first day, we opened the committee process so that staff and the press could come, the public could see what was happening in the committee meetings. We mandated a three-fifths vote on any tax increase, and began a comprehensive audit of the House books. For the first time, we are opening up this process to the public, we are going to show our books to the public so people have an opportunity.

I do want to yield to the gentleman from Connecticut [Mr. SHAYS], the author of the Shays act. Incidentally, I want to reinforce what an important act that was. When I was campaigning last year, I was surprised to learn how many laws that the Congress itself, in fact it had almost become routine for the Congress to exempt itself from the implications of a lot of the laws that they passed against everybody else. I think a big part of changing the attitudes of Members of Congress was to make us live by the same laws that we impose on everybody else.

I would like to yield to the gentleman from Connecticut [Mr. SHAYS]. He does not necessarily have to talk about the Shays act. I do not want him to brag about himself, necessarily, but I do want to talk a little bit about Medicare or Mediscare that is going on around the country now. I think the good news is that the American people are a lot smarter than some people give them credit for. They understand that increasing the expenses per capita from \$4,800 to \$6,700, they understand that is not a cut, that is a significant increase. They believe the system can be saved.

I yield to the gentleman from Connecticut [Mr. SHAYS].

Mr. SHAYS. Mr. Speaker, I thank the gentleman for yielding. I wanted to involve myself in this debate, because you are talking about the difference since the beginning of this year with the new majority. What we did is we ended 40 years of one-party control. That was a system where the chairman

became so dominant that even a rank and file Democrat had no power, even in the majority.

I would wager to say a rank and file Democrat Member has more power today under our system than they did under their system, which meant that the chairman decided every issue. You would bring a bill before the chairman. If he did not want to hear it, it did not happen. If the chairman did not want to have a public hearing on it, it did not happen. If the chairman did not want to invite these witnesses, it did not happen. If a bill was being debated and someone wanted to amend it and the chairman did not want it to be amended, under the old system it did not happen.

What we have now is the expression of a lot of different ideas. We have a lot of Members on both sides of the aisle empowered to make significant change.

I remember when the Contract With America was first brought forward. We, and I am looking at the gentleman from Ohio, Mr. HOKE, because we are fortunately in the majority, because we are here with three outstanding new Members of this House. For the first time as incumbent Members, we said that "If you elect us, you will elect a change of government." Then we invited those who were challengers to participate in making up our Contract With America and giving the American people a very positive presentation.

I remember the press when we did this said, "This is ridiculous." They said, "It is going to cause the defeat, particularly of moderate Republicans." I was thinking to myself, "Why would it do that? There are eight major reforms to this institution. We have 10 major bills we would pass during the first 100 days." However, they said, no, it would cause our defeat. When no Member lost, moderate or conservative, who was a Republican, and all these new Members were reelected, they said, "You used this contract to get elected but you would not implement it".

Then we started in the opening day. I remember candidly thinking the gentleman from Minnesota [Mr. GUTKNECHT], thinking he was going to be in charge of the rule. I was thinking these new freshman Members, I could not have brought out a bill on the opening day or dealt with a rule. And I was thinking, "Can you guys do this?" You got together as a group, I watched what you did, you came to the floor of the House, you presented the rule. I could not have been more proud of any Republicans than to see what our freshmen did on opening day. They basically were the only ones to speak, the only ones to bring out the rules. It was awesome.

I just want to thank all of you for what you have done to make it possible for this country to change. I make this point to you. They said moderates would lose. Moderates did not lose. Then they said we would not complete our Contract With America, we would

not try to work on these eight reforms and these 10 bills, and we did. Then they said moderates and conservatives could not work together. We get along fine. In fact, we find we have a heck of a lot in common.

Then they said, "You will not get along with the Senate." I actually like Senators and we work well with the Senate. Then they said, "You voted to balance the budget, but you would not be so stupid as to vote to balance the budget and cause a lot of anguish and all those special interests that are going to weigh in." And would you look at entitlements? That has been sacred, that we should not look to try to get our financial House in order. We are doing that.

This is what we have done. We have left the old world for the new world. We are not going back to the old world. We burned our ships. We are in the new world. We are going to conquer this new world. We are going to make sure the American people see a change.

What are they going to see? They are going to see us get our financial House in order and balance the budget. They are going to see us save our trust funds, particularly Medicare. They are going to see us change this corporate, this social and corporate welfare state, into an opportunity society. I really believe we are going to accomplish all that.

I would love to weigh in just a little bit on the whole issue of Medicare, but I do not want to monopolize the time, just to say it is really a pleasure to be with you. We need to talk about what we and the American people have so much to be proud of, a new Congress that is bringing extraordinary change.

Mr. GUTKNECHT. Mr. Speaker, I think we do want to have a little discussion about Medicare, because there is still so much distortion going on out there about what really is going to happen with Medicare.

Mr. HOKE. If the gentleman will continue to yield, Mr. Speaker, I would say my understanding that what the gentleman from Connecticut intends to do with Medicare is to cut \$270 billion from Medicare over the next 7 years in order to give \$280 billion in tax cuts strictly to wealthy Americans. Is that what is going on here?

Mr. SHAYS. The amazing thing is you got the Democrat story all in one sentence, and it is all wrong. There is a \$240 billion tax cut. About half of it is going to families with children. These are children under 18, a \$500 tax cut.

Mr. HOKE. Families with incomes under—

Mr. SHAYS. Incomes under \$200,000. It may be that ultimately that number comes down, but 75 percent of all families make \$75,000 or less, so 75 percent of the people who get this benefit make \$75,000 or less than \$75,000. Why would we want a \$500 tax credit? It is quite simple.

My parents, and I am one of four boys, in the 1940's and 1950's took the

equivalent deduction off their taxes of today of \$8,000. In other words, they had the benefit of being able to deduct for every child in today's dollars \$8,000 off their total income. That is \$32,000 that they could deduct from their total income. It meant they did not have to pay taxes on \$32,000.

What are families allowed today? They are allowed \$2,500. Families when we were growing up only paid 20 percent in taxes, Federal, State and local. They pay 40 percent today, so our first effort is to help young families cope with what is a very difficult environment. That is part of our tax cut.

The thing I want to weigh in on is that we paid for it. We made cuts to this budget, and I know, because you and I were on the budget, and my colleagues, we have all had to vote to cut spending to pay for it. It has nothing to do with Medicare. Medicare is a separate challenge. Medicare is going bankrupt, Medicare part A. We have to save that trust fund, totally separate.

So, wrong, first, that this is a tax cut for the wealthy; wrong that it somehow, that the tax cut, is related to Medicare. Let me make one last point. The most outrageous thing is to say it is a cut of \$270 billion. We spent, in the last 7 years, \$900 billion. In the next 7 years we are going to spend \$1.6 trillion. We are going to spend well over \$600 billion more in the next 7 years than the last 7. We are going to spend now \$4,800. It is going to go to \$6,700 per beneficiary in the seventh year. Only in this city and where the virus has spread in other parts of the country, when you spend more money like this do people call it a cut. It is not a cut. We are slowing the growth.

Mr. HOKE. Mr. Speaker, the Democrats clearly have not understood that, in fact, in reality, we did abolish baseline budgeting, and so they are using the same language that they used before, but I think it is very helpful to actually take apart their argument, facet by facet, piece by piece, because it starts with a \$270 billion cut, which is completely false. That is simply untrue. We are going from \$4,800 per beneficiary per year in 1995 to \$6,700 per beneficiary per year in 2002. How that can possibly be a cut under anybody's rubric, under anybody's language, other than for the purpose of trying to manipulate public opinion or trying to score political points, or simply to prevaricate and falsify the record, is beyond me.

You start with that, you start with a \$270 billion cut which is not a cut, that is incorrect, and I think then we also have to talk about where is the responsibility? Why do we have any responsibility to deal with Medicare? If the program, if it is so great and it is working perfectly, why should we touch it? What are we trying to do? I think we ought to talk about that, maybe.

Mr. SCARBOROUGH. If the gentleman will continue to yield, Mr. Speaker, this is an important thing. I

do not think the American people have to take the Republicans' word for it on Medicare. Again, we can go back and look what the Washington Post, which has long been a traditional ally of liberal Members of Congress up here, first of all, the Post came out a few weeks ago saying that the Democrats were really playing demagoguery with Medicare. Then they came out and said straight out that there is not a relationship between the tax cuts and the Medicare savings. Again, they said that the Democrats were, again, playing games with this.

I think what has happened with some members of the Democratic Party, and what they have done has just been absolutely shameless. We have had Members stand up here kicking and screaming, showing pictures of grandparents, saying, "The mean-spirited Republicans are going to take away their Medicare; is it not the worst thing that has happened? The locusts are going to descend from the heavens. They are going to be kicked out on the streets."

The fact of the matter is that a lot of those liberal Members who are pointing at those grandparents, saying they want to help them, are not telling the truth to them, which is again the trustees say it is going bankrupt in 7 years. Who is being more benevolent toward seniors, those who admit there is a problem, who want to go in and give seniors the flexibility they need to decide how they are going to handle their health care plan, instead of a bureaucrat in Washington, or the person who says there is absolutely nothing wrong with this system? Again, it is double-talk, it is demagoguery, and I think it is absolutely shameless.

Mr. HOKE. As the Washington Post says, it is Medigogery. I would like to make a prediction. I think this may help some people put this in context and perspective, because it is do brutally partisan here. It is very unfortunate, because so much of what you hear is put in this partisan context.

I predict when it comes down to the voting on Medicare and on the reforms that we are putting in place, and we ought to talk about some of the choices that seniors are going to have, because I think it is very important, but my prediction is that you will see 30 or 40 members of the Democratic party proudly casting aye votes in favor of the reforms that we bring to the floor.

□ 1745

Mr. SCARBOROUGH. Many now are admitting in the press that there are not going to be cuts. Senator MOYNIHAN has said there are no cuts in Medicare. We have had Members in this House come forward and say that the Democrats need to admit that the Medicare plan is not as draconian as they originally said it was, that this is a plan that works.

If we look at the PSN's, provider service networks, where we are allowing, again, free market-driven solutions, if we look at the HMO's, if we

look at the medical savings account, this is a revolutionary plan. I mean, we are giving the seniors 31 years of revolution in the health care field in one act.

I have to tell my colleagues something. I will tell any senior citizen that I am proud to be a part of this process. This is an historical time.

Mr. GUTKNECHT. Exactly. If I could just reclaim my time briefly, I hate to question the motives of anyone, but sometimes I wonder. The reason that we have heard the harsh rhetoric that we have had for the last 3 or 4 months is not I think that some people fear that this reform plan is going to fail, I think they are afraid it is going to work, and that seniors are going to like it. The reason that they know it is going to work is because a lot of things that we are talking about in terms of reform are currently working in the private sector.

Mr. Speaker, we are not reinventing the wheel here. Managed care and PPO's and HMO's and medical savings accounts are currently working. We saw a report on the news the other night, I think it was NBC, who talked about where some of these programs are actually being implemented, seniors love them.

At my town meetings where we have had seniors who are already members of what is called Senior Gold out in the State of Minnesota that is sponsored by BlueCross BlueShield, they love it. I mean, where these things are actually happening, it has become very popular. I think sometimes it is not the fear that this will fail, I think it is the fear that this will succeed and that somehow, we will get the credit.

Mr. Speaker, one of my favorite Founding Fathers was John Adams, and this is one of my favorite quotes. He said, "Facts are stubborn things." We can ignore the facts and we can deny the facts, but in the end facts are facts, and the facts are that the Medicare system as it exists today is headed for bankruptcy. Another fact is we are going to be spending more money on the system in 7 years than we are spending today. Another fact is that if seniors want to stay right where they are, they can.

Mr. HOKE. May I interrupt you for a moment, because what we are calling this program is Medicare Plus, and the reason we call it Medicare Plus is that you start with Medicare, which is exactly as it is today, and then we are going to have three or four other choices that senior citizens are going to be given.

I see that we have one of our newest Members of the Republican Conference here.

Mr. GUTKNECHT. I think he is the newest.

Mr. HOKE. Mr. Speaker, does the gentleman from Louisiana [Mr. TAUZIN] want to say a word?

Mr. TAUZIN. Mr. Speaker, I sure do. I joined this revolution in full uniform and armor just a couple of months ago,

but there were many conservative Democrats, as you know, that helped to make the contract a reality in this House, and in this House, and in this House in the first 100 days.

One of the reasons I think that it was such a successful 100 days, as the gentleman already pointed out, is the incredible zeal, the incredible talent of the new Members who arrived here, the new Republican freshman class, dedicated to one thing more than anything else, and that is to change the way this place works and to find solutions to American problems, rather than just to play party games all day.

I have been delighted now to have the chance to work with the new Republican majority for the last several weeks since our August break, and I have been delighted with the temper, with the incredible energy and the organization that I see still burning bright within the party to get this revolution completed.

Mr. Speaker, we have only just begun. If we cannot end this session with the real dedication of balancing the budget the way the freshmen came up here so dedicated to do, to saving Medicare from bankruptcy, and to ending welfare as we know it in America, and to building an American system of government where the government is our servant again instead of our master, then shame on us.

We have such an opportunity this year. This debate we will be entering into in the next several weeks over how to redefine the systems of health care in America is one of the key ingredients.

Now, the President himself has admitted that the Medicare system in America is ready to go bankrupt in 7 years unless we do something dramatic and immediate. The President, as the Governor of Arkansas, pleaded with the Federal Government for many years to change the system of Medicaid to make it one that worked for needy people instead of one that wasted money on mandates that just cost money, just made people work, just created an invitation to fraud and abuse. The Governor Clinton pleaded with us to do exactly what we are now recommending we do in Medicaid reform.

During the next several months, as we complete this journey toward a balanced budget, as we debate these critical questions of Medicaid and Medicare reform, and end the system of dependency on welfare in America as we have come to know it as a way of life instead of a stopping off place on the road of life, as we enter into this several months of debate, this will be our finest hour and our severest test as a party and as a people.

Mr. Speaker, I just wanted to come down today when I heard my colleagues talking, and I wanted to congratulate my colleagues and to urge that we never lose this fire. I am delighted to be a part of it and anxious to see us move on to the final victories.

Mr. SHAYS. I would love to just weigh in and just thank the gentleman

for being such a catalyst when he was on the side I am on right now, and now as a new Republican, because you have been a force for many years in the very things that we have been working on. It just really is extraordinary to have the gentleman from Louisiana [Mr. TAUZIN] as part of our family, and to say to the gentleman that we have such an opportunity.

Mr. Speaker, I get up every morning and I just count my blessings for the opportunity to be a part of a Congress that is bringing about extraordinary change. There are people on this side of the aisle as well that have weighed in and have added their part, a lot of good people on this side of the aisle.

The gentleman mentioned that he believes that there are a number of Democrats who will vote ultimately for the Medicare plan. Mr. Speaker, does the gentleman know why I think so? First off, the plan that some on the democratic side have described is a plan that does not exist.

I had community meetings the last two weekends and I met some real hostility. People said, you are going to increase the copayments, you are going to have copayments. I said, no. They said, but you are going to have increased deductions for hospitals and doctors. I said, no. They said, well, you are going to increase the premium, and I said, no, the premium is going to stay at 31.5 percent, and it is going to stay at that percent, and the Federal Government's taxpayers are going to pay 68.5 percent. Then they said, oh, you are going to push everybody out of fee-for-service, our Medicare system as we know it. That is simply not true. That is another no; they can stay in that plan, but if they want, they can go to all the kinds of plans the gentleman from Ohio [Mr. HOKE] mentioned, and he mentioned three, but candidly, there are an unlimited number.

Mr. Speaker, there are certain kinds of programs, but you can have providers that come in and say, if you want a certain kind of eyeglass care or dental care or drugs, they can encourage you to leave that traditional fee-for-service.

What is so darned exciting, and the Democrats have simply not yet caught on to what is so exciting, that we are saving this plan and we are making it better.

Mr. HOKE. Mr. Speaker, the gentleman from Connecticut is absolutely right. It amazed me, that during 1 minute this morning the gentlewoman from Connecticut specifically said, they want to know what our plan is, I will tell you what our plan is. Our plan is Medicare as it is today right now. That is our plan.

Mr. SHAYS. Plus.

Mr. HOKE. This was the gentlewoman from Connecticut, not our gentlewoman from Connecticut, the other gentlewoman from Connecticut during 1 minutes, and she was saying, very seriously, that they want to know what our plan is, the Democrat plan is, our plan is exactly what exists today.

Mr. Speaker, that is what is such a shame, because if you are a senior citizen and we actually enact this piece of legislation to reform Medicare and save it and improve it and simplify it, which I believe we will, then as a senior citizen you will be given the option of having Medicare as we know it today, if that is what you want, or Plus, and also, three large categories. As the gentleman pointed out quite correctly, there are an infinite number of options within those three large categories that are in addition to what exists today now.

Mr. TAUZIN. Mr. Speaker, one of the neatest parts about our plan is that if any citizen is unhappy with the plan they choose, they can move back.

Mr. HOKE. Just like a private citizen, just like you and I, just like somebody in the private sector. You are not going to be stuck in a 1965 plan and not have any other options or places to go.

Mr. SHAYS. However, I think the gentleman was making another point. Americans have 2 years, and during those 2 years they can go into the private plan, the Medicare Plus plan, but if you decide you do not like it, it was not what you expected, you can come right back into what exists now.

Mr. TAUZIN. Even after that 2-year period, senior citizens sign up for a year at a time, so that you choose your plan for the next year. Within that first 2-year period, you can try them all. You can see which one really meets the needs of your circumstances and which one really provides you the best medical care. You may find one where, for example, you find that your drugs are covered. You may find a plan that is better in fact because it includes some dental care that was not available in another plan you were in.

The short and sum of it is you can choose as a senior citizen when today you cannot. You have one choice only and the choice you have, the status quo, is about to go bankrupt. What kind of a choice is that?

Mr. SCARBOROUGH. That is what is so shameful about people getting up here and saying, we have a plan, and our plan is to keep Medicare the way it is. I will tell you, there is a correlation between our Medicare plan and what happened there, and also what happened with the Contract With America.

As the gentleman mentioned, some in the Democratic party came on board with us. So I think that the votes in the first 100 days, I believe about 310 Members joined together, Republicans and Democrats alike, to pass that.

The same thing is going to happen on Medicare, because I will tell my colleagues, the gentlewoman that stood up from Connecticut this morning and said, we want to keep the Medicare status quo, we want to keep it the way it is now, we want to forget about the reforms, we want to forget about the fact that Medicare is going bankrupt in 7 years according to the Medicare trustees, is making former Governor Mario Cuomo's point for him exactly. He said

on a radio talk show, the Democratic party is out of power because basically we put our head in the sands for too long; we are living in the past, we have offered no solutions.

For somebody to stand up here on the floor and with a straight face tell the senior citizens, which the gentlewoman from Connecticut was doing, that we can keep going on the same fail path that we have followed for the past few years, with the rate of growth going the way it is without any changes or any reforms whatsoever, we can keep doing it that way, is shameful. The gentlewoman from Connecticut knows, the President of the United States knows, every Member on the Democratic side of the aisle knows, that if we do that, we are selling senior citizens down the river, and it is shameful. I have a 92-year-old grandmother that I am not willing to sell down the river for political gain.

Mr. GUTKNECHT. I would like to make a couple of quick points. I think what the gentleman from Florida [Mr. SCARBOROUGH] just said is important. Many of the Members of our freshman class are baby boomers, and I think we do come here with a special responsibility. Both of my parents are on Medicare, and we have a special responsibility to our kids.

I want to come back to something that the gentleman from Louisiana [Mr. TAUZIN] made, and I think it is the heart and soul of what really is the philosophical debate, and it is the crossroads that we stand at here in the United States today. The debate about Medicare and the debate about Medicaid is really a debate between those people who fundamentally believe in Government control, and in Government decisions, and in Government bureaucracy, and between those who want to give people choices and options, who believe in freedom and in markets.

Mr. Speaker, we believe that if we get more freedom, if we get more market working out there, if we get real market forces controlling this thing, we can absolutely control the cost. It is happening in the private sector. The average cost of health care increases over the last 18 months in the private sector has been something like 1.1 percent. On the government side, when you are talking about Medicare or Medicaid, it has been over 10 percent. We believe this system is going to work, and my sense is, some people on the other side fear it is going to work.

Mr. HOKE. Mr. Speaker, could I ask a question? I want to ask the gentleman from Connecticut [Mr. SHAYS] a question, because I know that the Speaker has been following this very closely, and I know that he is very curious himself about how it is possible that we are going to go from a situation where right now we will not only offer everyone Medicare as it is today, but we will also offer a series of other choices, and yet, this is going to save money.

Now, the Speaker, listening to this, might think that there is a disconnect somewhere and it might be confusing to him to understand exactly how it is possible that we are going to actually save money doing this, and obviously I am asking for rhetorical reasons. I think it would be very helpful to spell out exactly why it is that by getting the private sector much more aggressively involved in this, we are going to squeeze the fat out.

Mr. SHAYS. Mr. Speaker, there are a lot of factors here. First, let me say when we said how are we going to save Medicare, we have four basic choices. We can increase taxes, and that is the payroll tax of 1.45 percent, and if you are self-employed, it is 2.9 percent. That is a no. We can affect the beneficiaries, we can affect the providers, or we can change the system. We are looking to change the system and allow choice and still allow people to keep the same plan if they want.

Now, how is the private sector going to step in? Well, all you need to do is just think about how the Government is running things.

□ 1800

The FAA, for instance, knew 10 years ago that we were going to have double the increase in traffic. Yet the FAA has not planned for that. So what do we have right now? We have a system that is basically shutting down. But that is the Government running it.

Medicare and Medicaid cannot tell you what hospitals have sent money, even a year later. They do not even know why it sent money. If we want to come back and find, out, they have to reconstruct it. But Home Depot can tell you at 9:30 in the morning what they sold the 2 hours before and they have already ordered—

Mr. HOKE. At every single store in the country.

Mr. SHAYS. Every single store in the country. And they have it centrally located.

The Federal Government does not do a great job of controlling costs, but it also does a terrible job in getting at waste, fraud, and abuse.

I had a hearing on waste, fraud, and abuse. The estimate was between 10 and 20 percent. Not 10. Ten is the low end of waste, fraud, and abuse. It really goes up to 20 percent.

I would love to yield to the gentleman from Louisiana [Mr. TAUZIN], an expert in this area, and tell you that we have got lots of opportunity here.

Mr. TAUZIN. We have just handled the Medicaid reforms out of the Committee on Commerce. We are going to take up the Medicare reforms on Monday. We will begin the debate. But let me tell you what the real option is, and the gentleman from Connecticut [Mr. SHAYS] has pointed it out.

The option is either fix this system, control costs, and create a better choice for Americans or else raise taxes dramatically to keep this system from bankruptcy.

Mr. SHAYS. And that is not going to happen.

Mr. TAUZIN. The status quo the gentleman from Connecticut was defending relies upon us deciding one day to raise taxes dramatically. That is the status quo they are defending. Liberal Democrats have no problem with that. I think most Americans do.

To raise the payroll tax sufficient to keep this system out of bankruptcy, we are told, will require a doubling of the payroll tax payments of working Americans by the year 2040. That is how immense the problem is if we do not cure it today. That is their solution.

You try to explain that to working Americans who can barely get by on the paycheck today, we are going to double their payroll taxes. That is not going to work. What will work is a system of choice and reform in the Medicare system so that seniors can take advantage of what you and I can take advantage of today, choosing plans that work better for us in a system where cost does count and people are interested in efficiencies and better treatment.

I saw an NBC program that centered on a program in Arizona where citizens have the choice there to go to HMO's. They showed some senior citizens telling their story, about how much better care they were getting and how much better treatment they were getting and how much better their lives were under an HMO. They showed New Jersey where Medisave accounts were being used and how citizens there were saying how much it saved them money and really improved their health care system.

Those are just two of the options our Medicare proposal will allow seniors in America.

Mr. HOKE. Is the real key to this not choice, giving our senior citizens the choices that we have in the Government, that people in the private sector have got?

Mr. GUTKNECHT. It goes deeper than that. It is not just choice. It is about markets and it is about competition.

We saw this, and part of the reason the Soviet Union ultimately collapsed, and the Wall Street Journal ran such a beautiful editorial shortly after that. I think the headline was "Markets Are More Powerful Than Armies."

What we saw on the other side of the world was that if you have a monopolistic system where the Government controls, you have enormous inefficiencies.

The gentleman from Connecticut [Mr. SHAYS] talked about the FAA. They are the largest buyer of vacuum tubes in the world.

Mr. SHAYS. Vacuum tubes? Do they still make vacuum tubes?

Mr. GUTKNECHT. Not in the United States. We have to buy them from Czechoslovakia.

You have probably seen the Speaker carries around one of those vacuum tubes that the FAA buys.

Mr. SHAYS. I am flying home tonight. You are telling me it is vacuum tubes?

Mr. GUTKNECHT. I am telling you this technology was developed in 1955. That is what you are going to fly home on. The telephone companies route millions of calls using computers, and they do it without even thinking about it. Yet we are using vacuum tubes. The Speaker carries one around.

That is the difference between a Government-controlled system and a market system. Competition makes them fund efficiencies. We can find those efficiencies if we allow markets to work.

Mr. TAUZIN. If I can, I want to go back, cross over from Medicare to Medicaid again.

I want to remind you all that something happens when you get to Washington that changes you somehow. I hope the freshmen really have a great success in changing the way this place works.

When Bill Clinton was Governor of Arkansas, he understood that government mandates, government command, control, all these strings we tie to these programs simply create inefficiencies, paperwork, fraud, abuse, and all kinds of things. He begged the Congress for several years, "Please get rid of those mandates, send us the money in a block grant, let us run our program in the State of Arkansas, we'll all be better off."

Guess what we are proposing? We are proposing to do exactly that, to send Medicaid moneys at a 4.9-percent growth rate per year for 7 years. We are planning on sending that to the States just as Bill Clinton pled with us to do, without all the strings, with the simple requirement that the plans they submit to carry it out have the same protections for seniors and for poor people that the current Medicaid system does.

So what are we doing? We are proposing to do what Bill Clinton wanted to do as Governor. Why on Earth is he opposing it as a President now? Did something happen? Did he drink some water here in the Potomac that changed his mind? I do not know, I do know this. For people to believe that there is a monopoly on caring hearts and intelligent minds in Washington bureaucrats and there are no people at home with caring hearts and intelligent minds, capable of better running these programs is to believe something I have not heard in my district and my State in a long time.

The truth is if we do what Bill Clinton wanted as Governor and create these programs with incentives and lack of mandates for people at home to deliver these services the way folks at home know how to deliver them, we are going to be in much better shape. And if we recreate Medicare so that seniors have the kinds of real choices that most other Americans have, they will have better care.

If they do not like the new plan, they can stay in the Medicare system as it

is. We will make sure it is well-funded. But if they want to go to something better, they will have that choice just like other citizens. Is that not the kindest thing we can do to folks we love who are senior citizens today?

Mr. SHAYS. That is well said.

I was thinking as we were talking, making reference to people on the other side of the aisle, candidly that is not usually my way of feeling comfortable because there are a lot of good people on this side of the aisle who have made a contribution.

I think part of it is the frustration of here we have a plan that we think is so good and we are willing to debate it on the ideas. In other words, if you do not think there should be the private sector, if you do not think people should have choice or you do not like the kinds of choices, debate it on that. But do not tell my constituents that there is going to be a co-payment, that there is going to be a deduction. Do not go into nursing homes and tell everybody that they are not going to be able to live here next year.

It brings out a side of you that you would just as soon not get into. I just want to make this point to you. One of the constructive arguments that people on this side of the aisle were making was, hey, we should see this bill, it should have the light of day and so on. We had a conversation with our Speaker and he totally agreed. Ideas win. We have every reason to be proud of this plan.

So this plan has come out in full detail today, the legislation. It will be introduced to the committee but not voted on next week, in Commerce, I believe. Members will be free not to be here. They can study it every day. This bill will be debated on in committee and Democrats who have ideas to improve this plan, not just criticize it but to improve it, will make a wonderful contribution, because we are listening. If we can make this plan better, we are going to do it.

Mr. GUTKNECHT. I think you have highlighted something very important. It really was not, I do not think, our leadership that tried to turn this into a partisan issue.

I think everyone would be happier, I know the senior citizens of the United States would be far happier if we could debate this more rationally rather than some of the harsh rhetoric that we have heard. It has been turned into a partisan issue. I think that is incredibly unfortunate particularly for the senior citizens because sometimes they wonder what really should they believe. That is why I made the point earlier about the facts are stubborn things. If they would just look at and study the facts, look at the options they are going to have, I think we could solve this problem, and it would be far better if it were on a bipartisan basis.

Mr. TAUZIN. Let me just point out that we do not need fistfights in the hall, and shouting matches in the hall.

American seniors do not need to be scared to death about this stuff. We need to debate it as adults. They would like to see us have that open debate as adults, trying to find rational solutions to a system about to go bankrupt. The last thing we need to see ever again is another picture of people shouting at each other in the hall. This is not a partisan issue. This is about mothers and fathers and grandfathers and grandmothers and about the working Americans who try desperately to try to earn a payroll enough to support them in their senior years.

This is a good debate for us to have and we ought to have it as adults. Americans want to see that. They want to see us start acting like Americans once in a while who want to save this country instead of as partisans fighting in the hallway.

Mr. SHAYS. I think they saw that in the vote on the temporary continuing resolution. The Government would have stopped being funded at the end of this month. What is that, tomorrow? In fact, we were able to get together and extend on a temporary basis at 90 to 95 percent of funding so we are not adding new money, we are putting in less money into the plan, giving ourselves 6 more weeks to have a dialog among Republicans and Democrats. We have a debt ceiling question. I am not voting to increase the debt ceiling, but I am going to vote for increasing the debt ceiling when this President weights in on a 7-year budget, then the President decides with us where we make our changes in programs, where we cut, where we slow the growth, we participated on a bipartisan basis.

But we are going to get that budget balanced in 7 years, we are going to save Medicare, and we are also going to transform this social and corporate welfare state into an opportunity society. We are going to do that, and I think we can do it on a bipartisan basis.

Mr. TAUZIN. For those who complain that this has not been an open process, let me assure you, I have never seen a more open Congress than this one. We have had more bills come in under an open rule, more discussion on this floor than I have ever seen in all my career here.

I do not know if you know it, but in the last three Congresses there were seven hearings on Medicaid. In this Congress we have already had seven hearings on Medicaid, as many hearings as three Congresses combined. We need to debate this in the light of day indeed, and we are doing that, and I have never seen more open discussion in all my years. This is a subject every senior has a great interest in, every working American, and we all ought to share in that debate again as we have proposed in the end. We will come up with some answers for America, not just for one party or the other.

Mr. GUTKNECHT. I would like to also interject that the whole issue of Medicare, people who think that we

have not had enough public hearings or discussions, in my own case I have had 33 town meetings. At every one of those town meetings we have talked about Medicare and some of the ideas we are considering. So I do not think anyone is going to be surprised when they read some of the details that are going to be in this plan because we have had something like 36 hearings on the issue, of various committees on the issue of Medicare.

This is not something we are going to sneak up on the American people, particularly on the senior citizens. I think by the time this bill is signed by the President, I think everybody in the United States will have a very thorough understanding of what we are talking about and frankly I think it will enjoy widespread public support as well.

Mr. HOKE. The reality is, and I think it is good to hear this from different perspectives. The reality is that there is actually a schism within the Democratic Party, as well, as to how to use or how to deal with this issue.

Some people believe it ought to be used strictly for political purposes, and that is a voice that we hear a great deal more of on the floor. There are an awful lot of others who also believe that it ought to be dealt with in a responsible way and those are the voices that are being heard in committee and that are really working on the problem. I suppose it is a reflection of politics, but it is absolutely true and unfortunate in this situation that it is easy, at least it is perceived to be something that is easy to scare seniors with and to scare them into believing that somehow they will not be able to have the same kind of quality care that they deserve and expect and must have.

It is pretty clear, I hope it is clear at least that our commitment is to preserving, to protecting, to improving and finally frankly to simplifying this system so that it becomes easier for seniors to use and it brings them into the 1990's as well, and to join the rest of the country.

Mr. GUTKNECHT. We have one of our fellow freshmen, the gentleman from California [Mr. BILBRAY], joining us. I would like to offer to yield to him for a few moments.

Mr. BILBRAY. I think one of the sad things about this Medicare tactic is that the people that are trying to pull this off, the old establishment in Washington that cannot cope with the fact that it is time to move upward and onward to improve on the past and not allow the old systems to just collapse after 37 years. But I think what they really miss here with the Medicare is that as the seniors find out about this problem, as they are being educated about this problem, their credibility and the credibility of the Washington establishment is slowly but surely crumbling more and more with this big lie that is going out there.

I have advertisements running in my district attacking me on certain posi-

tions and they have not even taken the decency to check my vote. My colleague from Louisiana knows, because he serves on the Committee on Commerce with me that are working on this bill that the facts that we know and the facts that we are explaining to our seniors are nothing like the big lies that the Medicare advertisements are saying out there. That, they really feel, will win them points. The seniors know what is going on. They are very sophisticated.

I am getting 80 percent of my calls coming in saying, "We don't believe these Medicare tactics, keep going." I hope that the colleagues who are on the other side of the aisle who think that Medicare will benefit them, it is destroying what little credibility that this town has left.

□ 1815

We need to shoot straight and be up front with the public, and I think this is a classic example where they are saying what sounds good right now to scare people, and the more people are learning, the more they are saying it is the same old garbage from Washington, "They are trying to manipulate us and scare us so they can maintain their power base they have always had."

And at what cost? I mean, how many of us as a consumer would accept a product being sold to us three times more expensive every year than the rate of inflation?

I do not care even if the system was not crashing, as the President's trustees say, if we could not manage a program, and I say this as someone who managed local government for 20 years, if we cannot manage a program with the cost increasing twice the rate of inflation, if the Democrats and Republicans cannot manage a health care program twice the rate of inflation, then none of us should be here. We should all go home and let the seniors run it.

Mr. SHAYS. I have waited 20 years for the opportunity we have. I was a State legislator. I saw the Congress deficit spend. I served here 8 years. The gentleman from Louisiana [Mr. TAUZIN] has been here much longer. We have an incredible opportunity to get our financial house in order, balance the budget, save Medicare and some of our other trust funds and change our corporate and social welfare state into an opportunity for society. This chance is here. It can happen on a bipartisan basis.

Mr. GUTKNECHT. I thank everyone for participating. We are making huge differences. It started with the Shays act on the first night. We are going to balance the budget, we are going to save Medicare. We are going to change welfare as we know it. We are going to keep a lot of the promises, actually, the President made when he was campaigning last time.