

EXTENSIONS OF REMARKS

REPUBLICAN FISCAL IRRESPONSIBILITY

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1996

Mr. FRANK of Massachusetts. Mr. Speaker, one central item has been underplayed in the important debate about how to bring the annual budget deficit down to zero—the need to reduce our military spending after the collapse of the Soviet empire. The implications of the military budget are crucial for any effort to deal with deficit reduction in a socially responsible way. The actions taken by the Republican dominated Congress this year and last year demonstrate a determination by them to increase military spending to the point where we will be able to bring the deficit to zero only by devastating reductions in important programs, in education, environment, and medical care.

Even more daunting than the \$18 billion the Republican Congress has added to military spending over the Pentagon's objection in the last 2 years is the prospect that we face in the future should Republican efforts succeed. Next November will decide whether or not the military budget will continue to swell, at the expense of virtually every other important national Government function.

Doug Bandow, a fellow at the Cato Institute, discussed the staggering fiscal implications of the Republican military budget proposals in a recent article on the op-ed page of the New York Times. As Mr. Bandow notes, the United States now spends almost 40 percent of all the military spending in the world. The reason for this, as he notes, is not our national security but our inexplicable willingness—even insistence—on heavily subsidizing our wealthiest allies by providing them with a defense courtesy of the American taxpayer. One of Mr. Bandow's most important points is his noting that we now spend on the military "twice as much as Britain, France, Germany, and Japan combined."

Mr. Speaker, because drastic reductions in military spending over the next decade are essential if we are to be able to balance our budget without causing severe social harm in the United States, I ask that Doug Bandow's thoughtful discussion of military spending be printed here.

[From the New York Times]

DOLE'S MILITARY CARD

(By Doug Bandow)

So far, the Presidential campaign is being waged largely over domestic issues. Yet the difference between the parties is much wider when it comes to military matters.

If leading Republican strategists have their way, the United States will commit American lives and wealth to enforcing a new form of imperial order.

As he campaigns, Bob Dole has said little more than that America must spend more on the military. The Clinton Administration has "eroded American power and purpose," he said recently. "Our defense budget has been cut too far and too fast."

So military outlays must rise above the current \$260 billion per year. How far, he doesn't say. But the conservative Heritage Foundation has started the bidding at \$20 billion more annually. Baker Spring, a Heritage defense analyst, wrote in a recent policy paper that "the time is rapidly approaching when the U.S. will have to decide between remaining a global power capable of preventing wars, or becoming a mere regional military power, condemned to fight and possibly lose them."

He writes this at a time when America is a military colossus. The United States accounts for almost 40 percent of all military spending on earth. It spends at least three times as much as Russia—and twice as much as Britain, France, Germany and Japan combined.

America's allies can stand up to every conceivable security threat on their own. Western Europe's gross domestic product and population are greater than our own. South Korea has about 18 times the gross domestic product and twice the population of North Korea. In such a world we risk losing a war? To whom?

Some Republican analysts want to increase military outlays by far more than \$20 billion. In the latest issue of Foreign Affairs, William Kristol, editor of the Weekly Standard, and Robert Kagan, a former policy analyst for the Bush Administration, called for an extra \$60 billion to \$80 billion. This would come on top of defense spending that is already, in real terms, higher than in 1980, when America still faced the Soviet Union, the Warsaw Pact nations and the threat of global Communism.

Mr. Kristol and Mr. Kagan, however, may be pikers compared to Haley Barbour, the Republican National Party chairman. In this new book, "Agenda for America," Mr. Barbour argues that we must "rejuvenate our military capability." He advocates improving military readiness, expanding procurement and strengthening the private military supply sector. Like Mr. Dole, he supplies no price tag, but Jonathan Clarke, a Cato Institute associate, figures the Barbour program could add up to an astounding annual increase of \$140 billion.

What is the United States to do with all this additional military might? It faces no serious security threat far greater than necessary to defend the country or backstop our prosperous allies in an emergency.

Such an enormous military buildup to meddle in civil wars in distant continents, to restore order in chaotic societies and to extend American security guarantees through NATO, right up to Russia's borders. The idea, in the words of Mr. Kristol and Mr. Kagan, is to establish a "benevolent hegemony" and to "preserve that hegemony as far into the future as possible."

They argue that this "is not a radical proposal," but it is. In effect it would mean, as the historian Francis Fukuyama wrote approvingly in a letter to Commentary, that "Americans should be prepared, when the time comes, to have their people die for Poland."

Similarly, Edward Luttwak, a former Reagan policy adviser, waxed nostalgic in Foreign Affairs about large families. When they predominated, he wrote; "a death in combat was not the extraordinary and fundamentally unacceptable event that it is now."

So what is Bob Dole's proposed military policy? The American people should not accept vague proposals about spending more on defense. And if he becomes President, Mr. Dole should create a foreign policy and military fit for the Republic America purports to be, not the empire some wish it to become.

TRIBUTE TO VALENCIA BOROUGH

HON. RON KLINK

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1996

Mr. KLINK. Mr. Speaker, I rise today to congratulate Valencia Borough on its 100th anniversary.

Valencia Borough plays a critical role in the care of my district's senior citizens. St. Barnabas Health System recently bought an existing nursing home and is in the process of a \$7.2 million expansion. This expansion will not only double the nursing center's bed capacity, but will also create 90 new jobs for Valencia Borough.

As I travel through the 4th district, I am always amazed by the friendliness and the good feelings shown to me by the residents of Valencia. These attributes should be lauded by this House and followed by all of America's communities.

The area which is now Valencia was originally settled as Brookside. It was renamed Valencia in 1884, in hopes of coaxing a post office to the area. To do this the community had to select a name unique to the area. Why the specific name of Valencia was chosen is unknown. My theory is that it has to do with the sunny disposition of its residents.

The residents of Valencia plan to celebrate the borough's 100th anniversary on August 18, 1996 with a community festival. I am positive that the festival will be a success due to the diligence of its residents.

So today, Mr. Speaker, I join with all my colleagues in the House in congratulating Valencia Borough on the momentous occasion of its 100th anniversary.

TRIBUTE TO COLONEL GENETTE HILL

HON. DOUGLAS "PETE" PETERSON

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1996

Mr. PETERSON of Florida. Mr. Speaker, I rise today to recognize Lt. Col. Genette Hill for her exceptionally distinguished and patriotic service to the U.S. Air Force, this House and this great Nation.

As Deputy Branch Chief in the Congressional Inquiries Division, she quickly established a reputation for credibility, professionalism, and excellence by working and closing over 1,100 written and telephonic inquiries across the spectrum of Air Force activities in

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Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

her first few months. Her outstanding leadership did not go unnoticed as she was selected to be the executive officer for the Director, Legislative Liaison. In this position, she received numerous laudatory comments for her travel planning, organizing and execution of travel with the chairman of the House Ways and Means Committee and the House Republican minority whip.

Genette's most recent position as Chief, Manpower and Personnel Branch, Programs and Legislation Division, is the true testimony of her ability to understand intricacies involved in the legislative processes. She has worked with the House National Security Committee and Senate Armed Services Committee members and staff on some of the most sensitive personnel issues of sexual harassment, promotion policy and quality of life with outstanding results.

It has been my extreme pleasure to have worked with and traveled with Genette Hill in my position as a member of the U.S. Air Force Academy Board of Visitors. Genette has served with great distinction and has earned our respect and gratitude for her many contributions to our Nation's defense.

My colleagues and I bid Lt. Col. Genette Hill a fond farewell and wish her and her husband, Lt. Col. Scott Hill, the very best as they begin their assignment to Air War College, Maxwell Air Force Base, Montgomery, AL—Godspeed.

TAX CUTS FOR EDUCATION

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1996

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, July 10, 1996, into the CONGRESSIONAL RECORD.

TAX CUTS FOR EDUCATION

There has been a lot of talk about tax cuts in recent weeks, some of it responsible and some not. But one idea that appears to me to have considerable merit is tax cuts for education and skills training expenses—tax cuts that are targeted toward middle-class families and are fully paid for so they don't worsen the budget deficit.

IMPROVING EDUCATION AND SKILLS

One of the greatest concerns of Hoosiers is their long-term job prospects and the prospects for their children. They work hard—often with both husband and wife employed—but they haven't seen many raises in recent years. So they struggle every month to pay their bills, keep their family healthy, and save a little for education or retirement. They are particularly concerned about the impact of technology in the workplace and foreign competition. They rightly recognize that with many jobs being made obsolete or moving across borders to lower-wage countries, they will need to improve their job skills just to keep up. And they recognize that a good education and solid work skills will be even more crucial for their children's prospects in the workforce of the future.

Local business leaders express similar concerns about the need to improve education and skills training. In meeting after meeting they tell me that the single most important way to expand businesses and create new jobs in southern Indiana is to upgrade the skills of the workforce.

Education is certainly the key to opportunity, especially in today's tough new glob-

al economy. Good jobs, including many factory jobs, demand much more sophisticated skills. And fully half of the new jobs created in the U.S. in the last three years were managerial and professional jobs. People entering the workforce today need better and better computation, communication, problem-solving, and decision-making skills, and they should be comfortable with a lifetime of learning so they can master new skills and adjust to new technologies in our constantly changing economy. Workers who develop these better skills will be in high demand by employers as we move into the 21st century; those who do not will not. We are already seeing this premium on education and skills. People with college degrees today earn almost twice as much as their counterparts with only a high school diploma.

COSTS

Yet while many Hoosiers recognize the need for them and their children to upgrade their education and training to get ahead, they find that increasingly expensive to do. The cost of college has risen sharply in recent years, with tuition increasing 270% since 1980. Good programs are available not just at four-year colleges but at community colleges, postsecondary technical schools, and regional campuses, yet the costs can add up. With tuition increases expected to continue to outpace inflation in the years ahead, many families are worried.

TARGETED TAX CUTS

So an idea getting attention in Washington is targeted tax relief to help moderate income families improve their education and skills levels. Congress is currently working on restoring the tax exemption for tuition assistance provided to workers by their employer, but several broader measures have been proposed. One idea is to offer students or their parents a tax deduction of up to \$10,000 for college or vocational training. Another proposal is to expand Individual Retirement Accounts (IRAs) and allow them to be used for post-secondary education expenses. A third proposal is to set up Individual Training Accounts to allow workers to continually upgrade their skills. Finally, a \$1,500 per year tax credit has been proposed to help pay for the first two years of college tuition. This would basically cover tuition at most two-year community colleges.

I believe targeted tax relief for education expenses makes sense. It addresses a real national concern—improving the education and skills training of our workforce—and it expands opportunity by giving a leg up to people who genuinely want to get ahead and are willing to make the effort. In addition it provides some needed tax relief to middle-class families—families who have struggled to get by in recent years while those at the top in America have prospered. Those who want to direct new tax cuts largely to people at the top seem to me to have their priorities wrong.

The U.S. tax code currently provides major tax breaks for a variety of purposes, including the purchase of a home, health care, retirement savings, and business investment in new plants and equipment. But it provides very little for the investment families should be making in improving their education and skills. That is a disparity that needs to be addressed.

HOW TO SET UP

But such tax relief must be structured in the right way. First, it must be used for legitimate education and training expenses. To ensure that the money is not wasted, we should require that the study be at schools that are properly accredited and certified. Also, local businesses could provide helpful guidance on what skills and types of study they see as most useful and relevant.

Second, the tax breaks must be targeted to those who need the most help. We need to place an income ceiling on eligibility, with the benefits phased out at higher income levels. We simply can't afford to give the tax break to well-to-do families who already are able to pay for post-secondary education. We also need to structure the tax breaks so they include tax credits and not just tax deductions, since most moderate income people don't itemize their taxes and thus wouldn't benefit from tax deductions.

Third, it is essential that any such tax relief be paid for. The costs to the Treasury should be fully offset by savings elsewhere, by cutting less important spending or tax breaks. And these offsetting savings should be made today, rather than promised several years down the road. We have made major progress in recent years in cutting the budget deficit—reducing it from \$290 billion four years ago to around \$130 billion this year. We simply shouldn't give up on deficit reduction by giving out tax cuts that are not paid for. We need to press on to a balanced budget.

CONCLUSION

Congress should begin work soon on such a targeted tax cut, but completing action will be difficult this year, especially as we enter the increasingly partisan election season. But such tax relief should be at the top of next year's agenda. We need to review the tax code—to make it simpler, fairer, and more rational—and one important component of that effort should be expanding targeted tax cuts for education and training.

INFAMOUS ARTISTS

HON. JOHN J. DUNCAN, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1996

Mr. DUNCAN. Mr. Speaker, we can learn a great deal from small children. I would like to call to the attention of my colleagues and other readers of the RECORD the following article from the "American Legion Magazine". These small children described in this article certainly know the difference between "art" and desecration of the American flag.

INFAMOUS ARTISTS

(By Joe Stuteville)

Holland Cortright, a second-grader at Paradise Mountain Christian Academy near Phoenix, Ariz., may be too young to understand the artistic differences between a Van Gogh painting and a "Where's Waldo?" illustration—but she does know what she likes. When the Phoenix Art Museum this spring unveiled a special exhibit in which American flags were physically desecrated, Holland knew immediately what she didn't like. And she decided to do something about it:

"Dear Sirs, Don't treat our American flag like you are. Putting it in a toilet is disrespectful. When you step on the flag it's like stepping on the people who died for our country. . . . Our country isn't going to be a country without our flag. We love our flag!"

Eight-year-old Holland and several of her classmates at Paradise Mountain Christian Academy were upset by local news coverage of the exhibit, Old Glory: The American Flag In Contemporary Art. Teacher Shelley Clinite suggested they write the museum to express their feelings. The display to which Holland's letter refers had a flag stuffed into a toilet and was surrounded by jail bars. Another display invited visitors to walk across a flag spread on the floor and write their thoughts in a book. Yet a third flag had human hair and flesh woven into the fabric.