

The managed care industry illustrates this point. HMOs understand that providing health insurance to Medicare beneficiaries who need little health care is far more profitable than providing it to those who need expensive care.

This is not a theoretical example. HMOs act according to the rules. Their primary purpose is the pursuit of profit, as it should be. Anyone who thinks we can ask the private sector to put qualitative values ahead of their shareholders' expectations of profitability did not take the same economics classes that I did.

Medicare is a fundamental part of the fabric of our society. Thirty-three years ago, before Medicare, fewer than 50 percent of America's elderly even had health insurance. Today, almost everyone over 65 is part of Medicare. It has helped people live better, it has helped people live longer. Medicare is such an important part of our lives and our society that it is almost taken for granted.

Two things about HMOs: They like profitable enrollees, and they do not stick around when things do not go their way. Last year, Medicare HMOs took it upon themselves to dispel the myth that privatization works. After enduring 1 whole year of reduced profits, more than one-fourth of the HMOs participating in Medicare, 96 plans total, quit. They left behind some 450,000 Medicare beneficiaries.

In my home city of Lorain, Ohio, United Health Care of Ohio dropped 2,000 Medicare patients from its plan because Lorain County seniors simply were not profitable enough for them. Yet United Health Care's CEO was paid a 1997 compensation of \$8 million and \$61 million in stock options.

Insurance that may not be there when we need it is not insurance. HMOs that bail out after 1 year are not serving anyone but their shareholders.

Clearly, the market deserves its very important place in our society. It is a dynamic engine of job growth in our State and across the country. The market creates wealth and raises our standard of living. There are many things the market does very well. But the purpose of publicly-owned national parks is to protect open space and preserve our Nation's heritage; the purpose of privatized national parks is to maximize profit through development and commercialization; the purpose of public prisons is to protect the public, to punish and to rehabilitate; the purpose of privatized prisons is to maximize profit by reducing staff and possibly cutting back on security; and the purpose of public medical systems is to provide the best health care possible to help people, especially children and the elderly, live healthier and longer lives; and the purpose of privatized medical systems is to maximize profit through private insurance companies denying benefits and introducing incentives to withhold care.

Our Nation has a compelling interest to maintain a steady, mutually bene-

cial balance between the public and private sectors. Private companies are important. Public programs are important. Government regulation is important.

We are in danger of becoming a land of two societies: One society for the more affluent and another for the less well off. The problem is that a Nation that produces the wealth that ours does should not leave 43 million of its citizens without health insurance. The private insurance market simply cannot provide for the common good by itself.

Let us remember how our country achieved its greatness. We are a Nation that taps the best effort and commitment from its citizens to build the world's strongest economy and the strongest Nation. We are a Nation that marshaled its military might to stop Hitler and protect freedom. We are a Nation that launched the GI bill, Social Security, Medicare, public education and the interstate highway system. We are a Nation that joins the resources of the private and public sectors to help people pursue a decent quality of life. It is a balance that works.

Let us keep Medicare the successful public program that it is.

WAR POWER AUTHORITY SHOULD BE RETURNED TO CONGRESS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 19, 1999, the gentleman from Texas (Mr. PAUL) is recognized during morning hour debates for 5 minutes.

Mr. PAUL. Mr. Speaker, the President has stated that should a peace treaty be signed between Serbia and Kosovo he plans to send in at least 4,000 American soldiers as part of a NATO peacekeeping force.

We, the Congress, have been informed through a public statement by the President that troops will be sent. We have not been asked to act in a constitutional fashion to grant the President permission to act. He is not coming to us to fully explain his intentions. The President is making a public statement as to his intentions and we are expected to acquiesce, to go along with the funding, and not even debate the issue, just as we are doing in Iraq.

That is not a proper constitutional procedure and it should be condemned. Silence in the past, while accommodating our Presidents in all forms of foreign adventurism from Korea and Vietnam to Iraq and Bosnia, should not be the standard the Congress follows.

The Constitution is clear: Our Presidents, from Washington to Roosevelt, all knew that initiating war was clearly the prerogative of the Congress, but our memories are flawed and our reading of the law is careless. The President should not be telling us what he plans to do, he should be giving us information and asking our advice. We are responsible for the safety of our troops, how taxpayers' dollars are

spent, the security of our Nation, and especially the process whereby our Nation commits itself to war.

Citing NATO agreements or U.N. resolutions as authority for moving troops into war zones should alert us all to the degree to which the rule of law has been undermined. The President has no war power, only the Congress has that. When one person can initiate war, by its definition, a republic no longer exists.

The war power, taken from the Congress 50 years ago, must be restored. If not, the conclusion must be that the Constitution of the United States can and has been amended by presidential fiat or treaty, both excluding the House of Representatives from performing its duty to the American people in preventing casual and illegal wars.

Some claim that the Kosovo involvement must be clarified as to where the money will come to finance it, the surplus or Social Security. This misses the point. We have and should exert the power of the purse, but a political argument over surpluses versus Social Security is hardly the issue.

Others have said that support should be withheld until an exit strategy is clearly laid out. But the debate should not be over the exit strategy. It is the entry process that counts.

The war powers process was set early on by our Presidents in dealing with the North African pirates in the early 19th century. Jefferson and Madison, on no less than 10 occasions, got Congress to pass legislation endorsing each military step taken. It has clearly been since World War II that our Presidents have assumed power not granted to them by the Constitution, and Congress has been negligent in doing little to stop this usurpation.

In the case of Kosovo, no troops should be sent without the consent of Congress. Vague discussion about whether or not the money will come out of Social Security or the budget surplus or call for an exit strategy will not suffice. If the war power is taken from the President and returned to the Congress, we would then automatically know the funds would have to be appropriated and the exit strategy would be easy: when we win the war.

Vague police actions authorized by the United Nations or NATO, and implemented by the President without congressional approval, invites disasters with perpetual foreign military entanglements. The concept of national sovereignty and the rule of law must be respected or there is no purpose for the Constitution.

AMERICA MUST STAND AS ONE NATION IN THE NEW MILLENIUM

The SPEAKER pro tempore. Under the Speaker's announced policy of January 19, 1999, the gentleman from Puerto Rico (Mr. ROMERO-BARCELÓ) is recognized during morning hour debates for 5 minutes.

Mr. ROMERO-BARCELÓ. Mr. Speaker, as I stand before the House today, America enjoys a period of unparalleled prosperity and peace. Our country is strong, and life is good for most Americans. Unemployment is at one of the lowest rates ever. Education is a reality for everyone, and the possibility of higher education is more achievable than ever. For once, in our halls, we are debating how to spend a surplus instead of cutting and retrenching Federal programs.

These are heady times, and we stand at the eve of the millennium with hopeful hearts. As the new century approaches, we realize that divisions are blurring and that there is more that brings us together as Americans and even as citizens of the world. The principles proclaimed by the Declaration of Independence and our Constitution continue to shine forth through the test of time, and our democracy is a shining beacon throughout the world. It is now the perfect time to reflect deeply into our future and ponder where do we want our Nation to go and what do we want our Nation to become in the years ahead.

There is immense potential for our Nation to grow and boundless opportunities for each of us to reach our potential. We are blessed with peace and stand as citizens of the most powerful, most advanced Nation in the world. It is indeed a privilege to be an American. That privilege also entails deep responsibilities and allegiance to the principles of freedom and liberty for which we pledge our own lives.

There is one injustice that besmirches our Nation's final reputation as the utmost defender of freedom, liberty, and quality. The 3.8 million citizens of Puerto Rico, as well as the nearly 200,000 citizens of the other four territories, have pledged their lives, just like the rest of their fellow citizens in the 50 States, to the cause of freedom. However, the sad truth is that throughout the century we have been sent to the front to protect the rights and freedoms of people who had more rights in our own country than we have.

Imagine, Mr. Speaker, that those who struggle alongside their fellow citizens to enable their country to fulfill its destiny do not enjoy the same rights nor the same benefits as any other citizen in the 50 States. How can this be possible? How has our Nation enabled this discrimination to continue unchecked?

Some say that the issue of the 4 million U.S. citizens in Puerto Rico and the territories is not on their radar screens this year or even in this Congress. If there is a war, I am certain we would be on their radar screens. Everyone knows that more U.S. citizens from Puerto Rico have served on the front than residents of many other States. This duplicitous standard of equal in danger and war but unequal in times of peace and prosperity must not and cannot continue to be tolerated, Mr. Speaker.

I call on my colleagues in Congress to eliminate the ignorance and the indifference that discriminates against the most needy of our society, the children, the aged, the disadvantaged, the handicapped, by virtue of living in a territory.

□ 1045

Mr. Speaker, I urge Congress to take the necessary steps to prevent this neglect and discrimination by enabling their equal participation in the most fundamental safety net programs that can make the difference for their future health and well-being, just as it does for all other elderly, disabled and needy children in any of the 50 States.

Mr. Speaker, if equality must be demanded in order to be achieved, then I am demanding it. How can some American citizens be less equal than others merely because they live in a territory and not in a State? Have those of us who live in a territory not proven our patriotism and our loyalty during this century? Can we afford to continue to ignore and trample the right to equality in our Nation?

Our Nation fights against injustices throughout the world, but in our own house it promotes unequal policies and programs that adversely affect the lives of its own citizens. Our Nation looks to invest in the future. What could be better than ensuring that all of our citizens enjoy the same rights and privileges? In the millennium let us truly stand as one Nation.

The U.S. citizens in Puerto Rico have a stake in this, our country, and have earned the right to be treated equally with our fellow citizens in the 50 States. I am calling on the wise stewardship of the leaders of this Congress to ensure that when the new century dawns, all Americans are truly equal and equally enjoy not only peace but also our Nation's economic prosperity.

FUNDING FOR NATIONAL DEFENSE

The SPEAKER pro tempore (Mr. BLILEY). Under the Speaker's announced policy of January 19, 1999, the gentleman from California (Mr. MCKEON) is recognized during morning hour debates for 5 minutes.

Mr. MCKEON. Mr. Speaker, I rise to address the House on a subject that is very important to me and our Nation. This subject is funding for our national defense. When the Clinton administration's budget was released, we heard a lot of talk that the President had finally been convinced about the need to increase defense spending. This was significant because his previous six budgets have fallen short of meeting our defense requirements despite the fact that the military deployments and operations tempo were increasing under this administration. However, as we examine the President's budget request more closely, we find once again that the increase which he had promised is failing to materialize. While the President is proposing a slight increase

in procurement accounts, research and development accounts are being cut. Furthermore, military construction spending is being slashed by over 35 percent. This is particularly disturbing for two reasons: One, because we are still paying money to finish the base closure process; two, our armed services are having difficulties retaining men and women who are currently serving. As the military-civilian pay gap increases, we cannot expect to retain military personnel while at the same time expecting them to live in 1940 and 1950 era housing while working in outdated facilities. Two weeks ago in the Committee on Armed Services the four service chiefs testified about an \$8.7 billion shortfall that they are facing in the next fiscal year. The actual shortfall is greater because the President is relying on favorable economic assumptions and changes in budget rules to make his defense numbers look better than they really are. For example, the Secretary of Defense testified last month before the Committee on Armed Services that low inflation and fuel costs were being factored into the fiscal year 2000 budget. Now, we know that gasoline costs are down. But I was reading in the paper yesterday that they are projecting a 25 percent increase this year. What happens if in the President's budget where he is proposing that we pick up \$8 billion because gasoline and oil prices are dropping that in reality they turn around and increase?

Apart from the obvious problems of relying on economic assumptions, it was revealed last week that the Senate is planning on using the projected economic savings as an offset for the fiscal year 1999 supplemental appropriations bill. If these assumptions are used to offset the supplemental bill, then the fiscal year 2000 defense budget will be stretched even thinner. This will make it even more difficult to address shortfalls in research and development, military construction and readiness accounts and will further delay congressional initiatives to improve pay and retirement benefits for active duty military personnel as well as for our veterans.

Mr. Speaker, as a member of both the Committee on Armed Services and the Committee on Veterans' Affairs, I look forward to working with other Members to truly address the needs of those who are providing for the defense of this country.

PROTECT AMERICA'S WORKERS AND SYSTEMS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 19, 1999, the gentleman from Oregon (Mr. BLUMENAUER) is recognized during morning hour debates for 5 minutes.

Mr. BLUMENAUER. Mr. Speaker, it is my pleasure to reflect for a moment this morning about the importance of our being able to provide livable communities for Americans. A lot of what