

We could be in quite a different matter, where all of this surplus is coming in, and rather than looking at the long-range responsibilities for our country, like the families we represent look after their long-term needs when they might have an unexpected windfall, we need to save this and commit it for the long haul, because as we have talked about, social security is a program that is on the books. It is a vital program, but it is going to run out of money in 2034, and benefits are going to fall 25 percent if we do not take the steps now to strengthen it.

So again, this debate, this little competition we are having in terms of who can best strengthen and protect social security, that is a good competition. One of the things that will make it good is whether or not there is actually any delivery behind all the rhetoric.

I see they are bringing out the charts now, so I guarantee Members in the next hour they are going to get an awful lot of rhetoric about Democrats raiding social security, and all the rest of it. I would expect those listening to what might follow to know that the issue is not the rhetoric, the issue is the performance. Ultimately that can only be measured by one thing. That trust fund, the trust fund that is going to go bust in 2030, is it preserved and strengthened? Is that trust fund date pushed back, or is it not?

We have advanced a plan that would measure the interest savings to the Federal Government by paying down the national debt due to these social security revenues. We would then take that savings reflected in general fund dollars and put it into the social security trust fund.

Again, the social security trust fund does not have enough money, so there are three things we can do to strengthen the program long-term. We can raise taxes. I do not think we should do that. We can cut benefits, stop the COLAS, raise the retirement age. I do not think we should do that. Or we can interject additional general funds. That I think we have to do, because the other two alternatives are simply unacceptable.

So let us have that general fund contribution make sense. If we consider the fact that this debt buy-down that saves these interest charges of the Federal Government is directly attributable to social security in the first place, that, Mr. Speaker, is a very good program for shoring up this program over the long haul.

I used to be an insurance commissioner. For 8 years I regulated insurance in North Dakota. That meant that I looked at a lot of phony pitches, put a lot of insurance agents out of business if they were lying about what they were selling, and I fined the heck out of a lot of companies, while I was at it.

I would just say that the efforts underway, the rhetorical efforts of the majority to pose as defenders of social security, would certainly not pass any ethical tests that are presently appli-

cable to the sale of insurance in this country. I have put people out of business for charges that were as false as what they are saying about what the Democrats are doing relative to social security.

Let me just sum up by emphasizing the core points. We are operating under the budget passed by the majority. The appropriations bills have been passed by the majority. The Congressional Budget Office asserts that the majority, who is paying these ads to run in North Dakota and other places accusing Democrats of raiding the social security trust fund somehow, that they have already spent into that trust fund, those revenues, from the cash flow on social security to the tune of \$14 billion and going up.

□ 2100

So let us put aside the smoke and the tired political rhetoric and look for bipartisan ways to lengthen the life of the trust fund. Nothing else cuts it. It is only looking at who is extending the life of the trust fund by which voters in the American public can determine who has been advancing the interest of this final program.

SAVING THE SOCIAL SECURITY TRUST FUND

The SPEAKER pro tempore (Mrs. WILSON). Under the Speaker's announced policy of January 6, 1999, the gentleman from Arizona (Mr. HAYWORTH) is recognized for 60 minutes as the designee of the majority leader.

Mr. HAYWORTH. Mr. Speaker, I thank my colleagues on the left for their interesting perspective. Perhaps the reason we hear such ferocity and denial is because, as former President Reagan used to say, facts are stubborn things.

I am joined this evening on the floor by the gentleman from Georgia (Mr. KINGSTON), a member of the Committee on Appropriations, who represents Savannah and its environs.

I yield to the gentleman from Georgia (Mr. KINGSTON).

Mr. KINGSTON. Mr. Speaker, I want to say to the gentleman from North Dakota (Mr. POMEROY), I think maybe it would be a very beneficial thing, maybe, tomorrow night or the next time that we do actually have interaction in a debate, particularly about the spending situation that we are in.

I find it, for example, atrocious that the party of the gentleman from North Dakota last year mischaracterized the statement intentionally of Newt Gingrich about Medicare. I find that absolutely appalling. The distinguished gentleman from North Dakota, to my knowledge, did not do that. I would have talked to him about it if he did.

The other day on the House floor, a 1984 statement of "Candidate Dick Armey" was paraded out here saying "Majority Leader Dick Armey," which he was not the majority leader in 1984. So on a lot of this rhetorical terrorism,

I am with the gentleman from North Dakota and would certainly like to have a one-on-one discussion, a party-to-party discussion.

What I am very concerned about is we have the President who vetoed the Commerce-State-Justice bill tonight because he wants to put more money into the U.N. He vetoed foreign aid because he wants to increase foreign aid. As I listened to the statements of the gentleman from North Dakota tonight, his group statement, as I understand, we seem to have agreement that there is no more money out there except to reduce spending or spend it smarter.

So if we are all in agreement, although I do have a quote here from the gentleman from Missouri (Mr. GEPHARDT) that I am very concerned about that he said yesterday, not 1984, and not about the health care financing administration or anything like that; but the gentleman from Missouri (Mr. GEPHARDT) yesterday was making a statement on one of the Sunday talk shows about we should spend a little bit of Social Security. I am concerned about that.

But the point really is that we are in this budget debate. If we all agree, and we did agree last week on the House floor, a vote of 419 to 0, that we would not increase taxes. We did agree we were not even going to take it out of Social Security. There is no more surplus out there. Then we all need to say is, okay, where do we take the money out of if we do go along with the President and wanting to spend more money on foreign aid?

Mr. POMEROY. Mr. Speaker, will the gentleman yield for a brief response to the thoughts of the gentleman from Georgia (Mr. KINGSTON)?

Mr. HAYWORTH. I yield to the gentleman from North Dakota (Mr. POMEROY).

Mr. POMEROY. Mr. Speaker, I think an ongoing dialogue, I would be happy to have one on the floor of the House in the context of special orders, would be beneficial. I would like the topics to include the short-term and longer-term framework for the program.

Right now I think it can actually get tripped up in what amounts to kind of blurring accounting-like arguments to the American public. I think we have to discuss the long-term solvency of the program, even as we deal with the appropriations challenge that faces Congress.

Mr. KINGSTON. Mr. Speaker, if the gentleman from Arizona will yield, I agree with that. Some Members who join the gentleman from North Dakota (Mr. POMEROY) tonight, for example, the gentleman from Ohio (Mr. KUCINICH), was saying he is against investment of the funds. Well, that was the President of the United States, not necessarily the position of the Democrat House Members, but that was the President of the United States who was saying that, and only this weekend backed off on that under the rhetorical category we need to clarify where that was coming from.

Another Member, the gentleman from Maine (Mr. ALLEN), said there has not been a bill introduced. I do not know what he would call the Archer-Shaw bill, which one of the other Members who was here tonight actually brought up himself, that that does address, I think, 75 years of Social Security solvency.

Frankly, it is a very intellectual accountant-type approach to this. It is a very complex problem. It is a complex solution. But that might be something that my colleagues choose to talk about, too, that we could throw on the table because I am not necessarily on that bill myself. I do not know that the gentleman from North Carolina signed off on it. But it has a vision, and it has some seriousness to it. It is well worth deciding.

Mr. POMEROY. Mr. Speaker, if the gentleman will yield, if I might make a final point, like I say, I think if the parties are in genuine competition in terms of which party best defends and strengthens Social Security, the American people win and win big.

What we need to check each other on, I think, is whether there is legitimacy, factual legitimacy in the claims that we are making as we purport to strengthen Social Security. I would just say the bottom line for me is, do we preserve and lengthen the trust fund or do we not? Really, that has to be a key kept in our discussions even as we go forward in the last week of session.

Mr. KINGSTON. Mr. Speaker, if the gentleman will yield further, one thing that is so important to Social Security is that the actions of this Congress in the next 4 to 5 days as we try to wrap up the appropriations process, if we agree that there is no more money out there in terms of an operating surplus, except from Social Security, and we all agree we do not want to take that money, then we have to go back to the very hard work.

I am a member of the Committee on Appropriations, and I can promise my colleagues there has been a lot of cooperation on both sides of the aisle to try to spend the money wisely. It is extremely difficult to try to fund all the things we mutually agree on, education, health care, senior programs, environmental programs. Then, discouragingly enough, we have this bipartisan agreement signed by both parties, a lot of fanfare in 1997; and yet it cannot be supported on a one-partisan basis. It has got to be bipartisan.

Mr. Speaker, I appreciate the gentleman from Arizona (Mr. HAYWORTH) yielding to me, and I look forward to continuing this dialogue.

Mr. HAYWORTH. Mr. Speaker, I thank the gentlemen on the other side of the aisle, the gentleman from North Dakota (Mr. POMEROY) and the gentleman from Arkansas (Mr. BERRY), for spending some time here.

I would, Mr. Speaker, call attention to the statement that appeared on the wires of the Associated Press on Octo-

ber 20, less than 1 week ago, of this year, and I would encourage, Mr. Speaker, those who may be viewing these proceedings through other matters perhaps might want to take a look at the easel in the well of the House.

I will quote from the document right now: "Privately, some Democrats say a final budget deal that uses some of the pension program surpluses would be a political victory for them."

Mr. Speaker, let me simply say that I think, if we, in fact, end up, at the insistence of the President of the United States, raiding the Social Security Trust Fund to spend more and more money, while some in this chamber might consider that a political victory, Mr. Speaker, I must tell my colleagues that would be a defeat for all the American people.

My friends on the left seem to be fixated on a historical argument; and it is simple, Mr. Speaker, to fall into the category of who shot John or who created the program. But I would submit to this chamber, Mr. Speaker, the question before us at this time in this place is not a question of who created Social Security. The question becomes who stands four-square for strengthening and preserving Social Security.

I would recall, just a few months ago, 9 months to be exact, the President of the United States came to this chamber, stood at that podium and offered a budget plan that was very curious, because the President in his remarks, Mr. Speaker, said that he wanted to save 62 percent of the Social Security surplus for Social Security.

Mr. Speaker, I may not be the greatest mathematician, but what is left unsaid or what was not explicitly stated in the President's remarks during that State of the Union message was that he felt perfectly fine spending an additional 38 percent of the Social Security surplus on more government programs. Indeed, in that 70-plus-minute address, he outlined some 80 new initiatives in government spending.

That, Mr. Speaker, brings to the floor and brings to the consciousness of the American body politic the fundamental debate. If one believes that one's money is better spent by Washington bureaucrats, if one believes that Washington ought to control more and more of the money one earns, if one believes that Washington and this vast bureaucracy that has grown over the last century is the be-all, end-all to solving one's problems at home, well, then, one perhaps would concur in that analysis.

But, Mr. Speaker, I must tell my colleagues what I have heard time and again is exactly the opposite. Indeed, as Members of the new majority, we came here to change the way Washington works. Once again, facts are stubborn things.

The gentleman from North Dakota (Mr. POMEROY) championed the actions of 1993 and 1994. Need I remind this House, Mr. Speaker, that in the previous majority, there was a one-vote

margin to enact the largest tax increase in American history? Again, facts are stubborn things. Included in that tax increase was an increase in taxation on Social Security recipients.

So even as our friends tonight come to this floor and say they do not believe in raising taxes, recent history and their own rhetoric tonight suggests otherwise.

Indeed, the minority leader and the gentleman from Missouri (Mr. GEPHARDT) appeared yesterday on ABC's This Week. Mr. Speaker, I am aware that a lot of Americans were at church yesterday or enjoying time with their families and may not have seen this public affairs telecast, but let me quote what the House Minority Leader said: "We really ought to spend as little of it," meaning the Social Security surplus. "We really ought to try to spend as little of it as possible."

Mr. Speaker, I would say to the gentleman from Missouri (Mr. GEPHARDT) who presumes and boasts that he believes he will become Speaker of the House in the 107th Congress, that is not good enough for the American people.

From day one of my service in this institution, in enumerable town hall meetings across the width and breadth of the 6th Congressional District of Arizona, an area in square mileage almost the size of the Commonwealth of Pennsylvania, now because of massive growth approaching almost 1 million residents, as next year's census will accurately reflect through a legitimate count of each and every citizen, what I have heard time and again from my constituents is that we need to stop the raid on the Social Security Trust Fund.

The good news is, Mr. Speaker, we have taken steps in that direction. I do not blame the American people for being skeptical. I can understand, indeed, how sometimes, Mr. Speaker, that skepticism gives way to cynicism.

But, again, facts are stubborn things. In the midst of the hue and cry and the Sturm und Drang and the agenda setting function of our friends in the fourth estate, commonly known as the media, perhaps more accurately reflected as the partisan press, came a story in the last 10 days that was, quite frankly, ignored.

I am pleased to have this opportunity, Mr. Speaker, in this chamber to commend the collective attention of this House, my colleagues, and the American people to the findings of the Congressional Budget Office. Because again, facts are stubborn things.

What the Congressional Budget Office discovered in counting receipts and outlays for fiscal year 1999 is that, for the first time since 1960, when President Eisenhower, that great and good man, was ensconced in the executive mansion at the other end of Pennsylvania Avenue, for the first time since 1960, this Congress balanced the budget, generated a surplus of \$1 billion, and did not touch one red cent of the Social Security funds to go for those expenditures.

Having made that progress, amidst the skepticism and the doubt and the cynicism, dare we retreat? The easiest thing for Washington to do is reflected sadly in the remarks of the minority leader yesterday, the man who would be Speaker, to hear, sadly, his political boasts, is again a predilection toward spending.

□ 2115

Rather than joining with us, to say, Mr. Speaker, no means no, hands off the Social Security trust funds, our friend from Missouri, the minority leader, says, "Well, we really ought to try to spend as little of it as possible."

I thought it ironic to hear my good friend from Arkansas, in extolling the virtue of my other friend from North Dakota, speak of emergency spending on one hand, about the floods that devastated the upper Midwest 2 years ago, and somehow imply that emergency spending for the same type of environmental horrors and acts of nature that have befallen other Americans somehow does not count in the current budgetary scheme of things.

There will always be emergencies. And to those who try to muddy the waters with talk of the Census, I would simply remind this House, Mr. Speaker, that it was this Director of the Census and this administration that wanted to willfully ignore a Supreme Court ruling that stipulated that we ought to actually uphold the Constitution, a unique concept, where the Constitution calls for the actual enumeration of American citizens. And, indeed, the designation of so-called emergency spending came from the fact that we had bureaucratic inertia in action and downright hostility to our supreme tribunal's assessment that the Constitution means what it says. But then again, sadly, that is nothing new.

I am so pleased to be joined on the floor by two very capable colleagues, my good friend, the gentleman from Minnesota (Mr. GUTKNECHT), who joined me here in the 104th Congress in the change in majority status and governing status to our party; and in the well of the House by the gentlewoman from New Mexico (Mrs. WILSON), who, in her short time here, elected in a special election in the tragedy of the death of our friend and colleague Steve Schiff, has come to this House and proven an effective and capable public servant with an incredible breadth of experience both in the military and in the pursuit of higher education.

And I would gladly yield to my good friend from New Mexico.

Mrs. WILSON. Mr. Speaker, I thank the gentleman from Arizona. I listened with interest to the discussion this evening, and to the comments of my colleague from North Dakota, many of which I agree with, we do need to look at Social Security over the long term. We also need to begin to draw the line in the sand this year, because we have the opportunity to do that for the first time this year.

I wanted to call my colleagues' attention to a chart that was actually prepared by the gentleman from Georgia (Mr. KINGSTON), because I thought it was a good chart to explain where we are to folks who are interested in watching this nationally. We have had deficit spending in this country for 30 years, until last year. And the reason that we do not have deficit spending now is really a combination of things. One is a very strong economy. But there also must be a will in Washington, and it starts in this House, because all of the spending bills start here, to control Federal Government spending. A commitment to balance the budget in the same way that all of us at home have to balance our own checkbooks. It is that responsible approach to government spending that we are now close to completing here in Washington for the next fiscal year.

I want to commend the President of the United States tonight for signing the defense bill. That defense bill turns the corner in restoring our national security. It includes a 4.8 percent pay raise for those on active duty. It will start the process of recruiting and retaining high quality military personnel. It will mean that we will begin replacing all of those spare parts that have been lost in expeditions overseas. We need to restore our national defense, and the defense appropriations bill begins to do that, and I want to commend the President for having signed it today.

There are other bills that we still have not completed action on, and we will do so and sit down with the President and his advisers and work through each of these bills to make sure that we have a series of spending bills that adds up to no more than \$592 billion, which is the total amount we have in the checking account for the next year. We have set aside another \$115 billion or so that is Social Security money. That is the money we are putting in the IRA this year for our retirement.

Every family knows that if they took the money they were supposed to put in their individual retirement account or that was supposed to be in their pension fund and they spent it this year, it would not be there when they retired. So we are making the commitment this year, because we finally are within shooting distance of being able to meet that commitment; to not touch retirement, we are not going to raise taxes, we are going to balance the budget, and we are going to emphasize education and national security. And within that context, I think we can come up with a very good budget blueprint.

And I thank the gentleman for his time.

Mr. HAYWORTH. Mr. Speaker, I thank the gentlewoman from New Mexico who, once again, points out that while there are all sorts of arcane notions and green eyeshades that one can apply to this, there is a very real human equation that comes to balancing the budget. And there is no

mystery, because what goes on around the kitchen table for every American family is the basic essence of what we are trying to come to grips with here in Washington, D.C. And if it is good enough for the American family, it should be good enough for the Washington bureaucrats.

With that, let me yield to my friend from Minnesota.

Mr. GUTKNECHT. Mr. Speaker, I thank the gentleman for yielding and the gentlewoman for joining us tonight to talk about our budget priorities.

The gentleman from Arizona knows as well as I do what it was like coming here in the class of 1994. We were looking at, as my colleague will recall, the Congressional Budget Office told us in the spring of that year, when the President submitted his first budget in 1995 for us as Members of Congress, they told us that we could expect to see \$250 billion deficits well into the next century. And that was under the President's proposal.

And basically what we said, as new Members of Congress, was that that was not acceptable; the idea that the Federal Government had to continue to spend more money than it took in, especially in good years. Now, we might understand, maybe we could make an excuse once in a while if there was a serious recession or a depression or a war, but in times of peace and prosperity, we just could not accept the idea that the Federal Government should continue to borrow more than it takes in year after year after year.

And the scary result of this, and this is where it gets down to what the gentleman was talking about in terms of what is going to happen to the kids, it really meant that if we continued to borrow \$250 billion, what the Congressional Budget Office and others said was that if Congress did not get serious about finally balancing the budget, what was going to happen was we were going to virtually guaranty our kids were going to have a lower standard of living. In fact, they told us that by the time our kids that are in junior high and high school today, by the time they reached my age, and I was born in 1951, they were going to be paying a tax rate of between 75 and 80 percent just to pay the interest on the national debt.

Now, think about that. We were literally guaranteeing that our kids were going to have a much lower standard of living, because they would not have been able to buy a car, they would not be able to buy a house, because the tax system was going to take virtually everything they earned just to pay the interest on the national debt. We had reached a point where we had not begun to slow down this spending machine.

And I want to talk a little about what we did as a member of the Committee on the Budget. And, frankly, we as Republicans are not very good sometimes for taking credit for what we have accomplished, but a lot of things

have changed in this city. One of the most important was that there was sort of an assumption around this city that every year Federal spending would go up by 2, or 3, or maybe even 4 times whatever the inflation rate was. I can remember when the Federal budget was growing at 8, 9, 10 percent. Well, we changed that. And what we did is we dramatically slowed the rate of growth in Federal spending.

In fact, I think one of the most amazing statistics is this, and I will repeat it so our colleagues who may be watching in their offices do not miss this point. This year, for the first-time I think in my adult lifetime, not only have we now balanced the budget in fiscal year 1999, without taking money from Social Security, which I think is an amazing accomplishment, because that has not happened since Dwight Eisenhower was President and Elvis was getting out of the Army, 40 years ago, that is the first time that has happened, but an even more amazing statistic is that this year the Federal budget is going to grow at slightly more than 3 percent.

That is an amazing thing. But what is even more amazing is when we realize that the average family budget this year will grow by about 3½ percent. So, again, for the first time I think in my adult lifetime we have created a situation where the average family budget is growing at a faster rate than the Federal budget. And that is part of the reason that the budget is balanced today.

Because I think people on Main Street and Wall Street began to realize that this Congress is serious about reforming welfare, of downsizing some of the Federal programs, of limiting the growth in total Federal spending, of limiting entitlements, and all of a sudden they said, if these guys are serious, real interest rates are coming down, and they did. And they said, if they are really serious and real interest rates come down, it means that more families will be able to afford a house, and a car, and maybe a dishwasher and other things, and the economy will be stronger. And it last has been.

As a result, we have had revenues coming in. In fact, the gentleman may remember, as a member of the Committee on Ways and Means, when we talked about let us lower the capital gains tax rate by 30 percent. Let us take it from the maximum rate of 28 to 20 percent. Oh, some off friends on the left said that if we did that, that that was a tax cut for the rich and we would deprive the Federal government of all of this revenue. It is a tax cut for the rich, they said, which will blow a hole in the budget. That was their term. Does the gentleman remember that and what happened?

Mr. HAYWORTH. Well, of course, when we reduced the capital gains top rate, we actually saw that far from being in the catchy-chism of the left, a tax cut for the rich, what we did was empowered American citizens to take

that money and invest it in new opportunities, in greater job growth, in new homes, and to use more of their hard-earned money the way they see fit instead of having Washington spend it. And the bottom line is this. In that whole method of scoring that the Federal Government utilizes, in stark contrast to the theoreticians who said it would be a drain on government revenue, we saw reaffirmed the basic principle that when the American people hang on to more of their hard-earned money, tax receipts to the Federal Government actually increase.

More revenue comes to the government because more economic opportunity is empowered to take place. And that is what we have seen in reducing the top rate on capital gains taxes, because it freed up capital that otherwise would have remained dormant or would have gone into the coffers of the Washington bureaucrats.

Mr. GUTKNECHT. Well, it comes down to a very simple point, Americans know how to spend their money a lot smarter than we know how to spend it on their behalf. They get a full dollar's worth of value for every dollar they spend. We do not. We know that, and there has been study after study to show that.

But we have made all this progress and a lot of people still do not believe it. I go out to my town hall meetings, and when I start talking about the fact that we finally have balanced the budget without using Social Security, I can almost feel the skepticism in their eyes. At one of my town hall meetings I said, "You know what, I understand why you would not believe this." For 40 years, the American people have, in effect, been misled about what government can do and that borrowing is good and all of that. And they almost now believe that deficit spending at the Federal level is preordained; that it has to happen. So it will take some time before the American people start to really realize we are serious about balancing the budget; that we have balanced the budget without using Social Security, and, like crossing the Rubicon, we are not going to go back. We have made it very clear to our friends on the left here in Congress and to the people down at the other end of Pennsylvania Avenue that we are not going to go back and raid Social Security. We are not going to balance the budget by raising taxes.

And I might just add, we should make it very clear to the President that we are not going to let him shut down the government either. None of that has to happen. There is more than enough money in this budget. I think at the end of the day we will end up spending about \$754 billion. The Congressional Budget Office has said, if we limit the total Federal spending to \$1754 billion, we will balance the budget without taking a penny of Social Security and we will not have to raise taxes, and we will not have to shut down the government.

Mr. HAYWORTH. And that is a lot of money. \$1.754 trillion, almost \$2 trillion. The amount is astronomical. And the irony is, as my friend from Minnesota knows and, Mr. Speaker, we need to amplify again in this chamber this evening, as we are going through the appropriations process, trying to live within some fairly expansive means, \$1.750 trillion, the President of the United States chose to veto a foreign aid bill because he wants to spend an additional \$4 billion on non-Americans.

□ 2130

Now, Mr. Speaker and my colleagues, I find it ironic that the current President and the Vice President campaigned in 1992 on the slogan "putting people first." I thought the slogan implied putting the American people first. But, apparently, given trips to a variety of different continents and promises that really spawned cynicism, such as wiring schools on other continents for the Internet, using American tax dollars, let me just say while I am in the neighborhood on this, Mr. Speaker, I would certainly invite the President to the 6th Congressional District of Arizona.

I can take him to any number of rural schools and schools on the reservations for which this administration added not one red penny in terms of impact to aid funds where the Constitution and treaty law stipulates that there is a clear, unequivocal role in the Federal level in educating the Indian children, in educating the children of military dependents, and yet to have those funds cut and still the promise of largess to non-Americans.

The bottom line is and the shock is that the President vetoed the foreign aid bill, saying that he wanted to increase that spending by 30 percent, by \$4 billion. And the question becomes, Mr. Speaker, where can the President get that money? And under the current parameters, there is only one place he can go. You guessed it, the Social Security Trust Fund.

Mr. Speaker, my colleagues, I reject that sad and cynical notion that cannot help but breed the skepticism and cynicism. That money belongs to the American people. They paid it into that trust fund. It should not be spent on tin horn dictators or on utopian designs.

And then tonight, even as we welcome the news, and let us give credit where credit is due, I am so glad the President of the United States signed the defense appropriations, which contains a long overdue pay raise for America's men and women in uniform, 12,000 of whom had to apply for food stamps for their children in a sorry spectacle to make ends meet. I welcome the fact the President signed that bill.

But even as that has happened, there has been a veto or, we understand, the pending veto of the Commerce, State, Justice appropriations bill. Because,

again, the President apparently thinks American money should not go to the American people or to programs for them. He would rather spend them on utopian designs that threaten our sovereignty in the United Nations.

Let me suggest to this body, Mr. Speaker, and to the President of the United States that America's dues have been paid in full many times over, including in the latest adventure in the Balkans, not paid for when our Commander in Chief put American men and women and pilots in harm's way.

Mr. Speaker, someone has to be the adult here. "No" means "no" to adventurism and overspending. This common sense conservative Congress has held the line in that regard. And we invite the President, who, as we read the pundits and the prognosticators say that he is in search of a legacy, he joined us. It took three times for him to join with us on welfare reform, but we are certainly happy to share credit. Because, after all, in our constitutional Republic, when we pass legislation, we need the President's signature. He joined us on that.

How truly ground breaking it would be, Mr. Speaker, if the President were to accept the invitation of the Speaker of the House, the gentleman from Illinois (Mr. HASTERT), who stood at that podium leaving the Speaker's rostrum the day he was sworn in as the Speaker in the 106th Congress and said to the American people, Mr. Speaker, we have reserved H.R. 1 for the President's plan to save Social Security.

I heard my friends on the left in the preceding hour somehow forget about that, apparently. The invitation is still there. And we heard the President make some statements this weekend. As a member of the Committee on Ways and Means, I know my colleague, the gentleman from Minnesota (Mr. GUTKNECHT), with his background on the Committee on the Budget, we would welcome the President at long last putting into legislative language what it is he, in fact, proposes to do. I am sure that the Committee on Ways and Means and the other appropriate committees of jurisdiction will hold hearings and will examine that. But there is just one other thing that happens that adds to the cynicism that we need to point out.

Aside from some budget messages that are required by law, the last legislative initiative sent to this chamber from the other end of Pennsylvania Avenue came before my friend and I were in the Congress. It was a plan to socialize our health care. That is the last policy initiative that has come from this administration in legislative language.

So I would say, Mr. Speaker, we invite the President to put his designs on paper in legislative language in H.R. 1. As our Speaker has said, certainly a man of honor, certainly a man of his word, that proposal will receive all due consideration.

Mr. Speaker, I yield to my friend from Minnesota.

Mr. GUTKNECHT. Mr. Speaker, I would like to come back to something my colleague talked about in terms of one of the things that frustrated me about some of the comments of our friends on the left. They are saying, well, yes, sure, the Republicans are balancing the budget; but they are going to use some gimmicks.

Well, in truth, I wish we did not have to do that. But let me explain some of the things we are thinking about doing. One is a 1.29 percent cut across the board in only discretionary spending. In other words, it will not affect Social Security, will not affect Medicare, will not affect the entitlement side of the budget, only in discretionary spending, 1.29 percent.

Now, I know some of our friends say that, no, these agencies cannot absorb a 1.29 percent across-the-board cut in their agencies. But let me just tell them this. I represent a lot of farmers. Now, when we tell them that a Federal agency cannot tighten its belt slightly over 1 percent, they do not even laugh because they are tightening their belts to the tune of 20, 30, and even 40 percent. So, I mean, do not tell me that the Federal agencies do not have 1 percent worth of fat in their budgets. That is outrageous. So that is one of the gimmicks they do not like.

Another thing that we are thinking about doing is moving back one pay day, I think from the 30th of the month to the first of the month, to move us into the next fiscal year.

Now, do I wish we were not going to do that? Absolutely. But if the choice is between those two things and stealing from Social Security, that is not even a close call. But let me explain and what makes me so angry about this and what we have been up against in the last several years.

The gentleman mentioned military adventures. This administration has sent troops to more places in this world in the last 7 years than the last five Presidents put together. In fact, the little adventure in the Balkans, in Bosnia and Kosovo have already cost us over \$16 billion.

Now, historians also have to judge whether or not it has been worth it. But let us at least be honest with ourselves and compare that little adventure with what happened in the Gulf. Former President Bush went to all of our allies and said, listen, we have got a problem with Saddam Hussein. It is a big problem. It is a world problem; and if he is allowed to take over Kuwait and the oil fields, he is going to be even a bigger problem for everybody in the world.

So we went to our Japanese allies and said, if you cannot send troops, will you send cash? And they did. And he went to some of our other allies around the world and they all ponied up. And at the end of the day, the war in the Gulf cost us almost nothing. It cost the taxpayers of the United States almost nothing.

Compare that to what has happened in Kosovo. I will never forget we had a

meeting when I first came here with the German foreign minister and the whole thing in Bosnia was starting to boil up, and I remember what the foreign minister told us. He said, at the end of the day, this is a European problem, and it should be solved by the Europeans. And I said, amen.

But it was not long before it was obvious that the Europeans could not solve it. But do you know what at least they could do, because the economy of the European Union is now bigger than the economy of the United States, and yet we are supposed to carry 90 percent of the burden of the war in the Balkans? There is something wrong with that policy. I am not sure if there was even an attempt by this administration to go in and say, listen, we will help to solve the military problem there, we will provide the technology, we will provide the aircraft, we will provide the smart bombs, we will provide what it takes. But it would be nice if you guys would help provide some of the cash. But they did not.

So what happened was the American taxpayers and Congress had to go out and help find the money, \$16 billion.

Well, we have done some juggling and we have taken from here and we have taken from that and we reshuffled the numbers. Because we always kept our eye on the ball. The idea is to reduce the rate of growth in Federal spending to allow the American people to keep more of what they earned and let the economy grow and everything will take care of itself. That is what we have done.

But the President, as my colleague from Arizona (Mr. HAYWORTH) says, has not really been there to help us solve some of these problems. Now, we need his help right now. We have made it very clear that we want to work with the White House, but we said certain things are off the table.

Last week we had a vote on taxes because the President said, at least behind closed doors, well, part of the problem could be solved if we just raised some taxes and some fees and raised cigarette taxes; and there was a proposal from the White House. It said, you know, in the budget message here are some taxes and fees you could raise. So last week the Congressional leaders brought it to a vote. And how many votes did it get?

Mr. HAYWORTH. Mr. Speaker, I am happy to report the outcome of that vote, again something that, sadly, many of our friends in the media chose not to emphasize in their reportage of the events here on Capitol Hill. And I am grateful for the time tonight.

In answering the question of my friend, the President's plan to increase taxes, as detailed in his budget message, received no votes. The vote was 419 to 0 to reject the President's plan for revenue, which his economic advisor, Gene Sperling, on many national television shows in many messages to this Congress said was part and parcel of the tough choices needed to solve

our budgetary dilemma. And yet not one Member of the minority, even those who spoke so glowingly of the largest tax increase in American history, not one of them voted for that package of new taxes.

Mr. GUTKNECHT. Mr. Speaker, so what we have said unanimously everybody in the House said we are not going to raise taxes to balance the budget. That is unanimous. Everybody said that, Republicans, Democrats. And we have one independent. He voted no, as well. All of us said we are not going to raise taxes.

Now, I think there is almost unanimous feeling here in the House, we are not going to raid Social Security. All right, once we have decided that and we have taken those two things off the table, we come back to the last conclusion. At some point we are going to have to make some adjustments, we are going to have to do an across-the-board cut, or we are going to have to do whatever it takes to make certain that we live with \$1754 billion. Okay?

Now, that is where we are. We are not going to raid Social Security. We already decided unanimously we are not going to raise taxes. So, Mr. President, please work with us. If one message should be coming from the Congress down to the other end of Pennsylvania Avenue, please sit down and work with us. We want to work this out and we are not going to let you shut down the Government.

There is absolutely no need this year for a Government shutdown. Almost half the bills have now have been signed by the President. There are only a couple of them left outstanding that I think where there are serious differences of opinion. And that is part of the process. We should have differences of opinion. The President has some priorities. The Senate has some priorities. I have some priorities. You have some priorities. At the end the day, you work those out. Those can all be worked out. But you have to first agree how big the pie is going to be and how big the parameters of the debate are.

We are not going to raid Social Security. We are not going to raise taxes. We are not going to let the President shut down the Government if we can at all stop it. Everything else is negotiable.

Mr. HAYWORTH. Mr. Speaker, I thank my colleague from Minnesota for his comments. I think he has succinctly and forthrightly expressed the sentiment of the majority in the House.

Again, Mr. Speaker, I would implore our chief executive to understand that there are different priorities, but one legacy he dare not be tempted by would be the notion of a political stunt to shut down this Government with all the challenges we face. Because in stark contrast to times gone by, certainly one as adroit and skilled in politics knows that going to the well once too often can result in the wrong type of legacy.

I wanted to pick up on a comment my friend made earlier. The gentleman

from Minnesota is quite right, what we are proposing and what we will bring to the floor in short order is an effort to trim the waste, fraud, and abuse that has run rampant throughout our system. We have been stunned by the examples.

My colleagues are familiar with the \$8.5 million in food stamps sent to 26,000 people who had died; 26,000 decedents receiving \$8.5 million in food stamps; the \$75,000 in Social Security insurance payments that went to death-row inmates.

I can recall when I first got here and perhaps my friend in his days and service on the Committee on the Budget, when I first came to Congress in the 104th Congress I was honored to serve on the Committee on Resources. Government always gives a fancy name to different jobs. What we call an accountant in the private sector is called an Inspector General, Washington D.C.

□ 2145

So, the Inspector General from the Interior Department had come down and was seated alongside the director at that time of the National Park Service, and, Mr. Speaker, you will be amazed even today to hear this story because time cannot erase or dilute its irony and its shame. The accountant for the Interior Department, the National Park Service, said the Park Service could not account for over \$70 million in tax money appropriated and spent by the Park Service.

Now, Mr. Speaker, if that had happened in the private sector, some folks would have found themselves with new accommodations based on the fact that they would be in violation of criminal law. As it stood at that point in time and sadly still stands, the director of the Park Service at that time was subject to a tongue lashing that appeared on tape-delay fashion on C-Span, and that was it.

Now I tried to work with my colleagues, mindful of the fact that the Committee on Ways and Means has unique interaction with the Committee on the Budget as we look at budget reform to find a way to weed out those culprits administratively wasting and abusing the money of the American people, American tax dollars; and believe me, there is no way that eliminating and reducing by a little over 1 percent can jeopardize programs especially when we make sure, and this is something else that the American people need to hear because of the smear and fear tactics so often we see in this chamber, and sadly elsewhere around this town and in the partisan press, not one penny of those reductions will come from mandatory spending, spending that goes to the truly needy, those who expect it. It will not come out of food stamps, it will not come out of Social Security, it will not come out of veterans' pensions, it will not come out of Medicaid. We will protect those programs for the truly needy. But for the truly greedy, those in this town who

fail to account for the people's money, those in this town who would use that money for their own personal comfort and be less than good stewards of the taxpayers' dollars, Mr. Speaker, they need to be put on notice that there will be a change.

Now, we can expect the hue and cry given the culture of this town and the atmospherics at the other end of Pennsylvania Avenue, but, Mr. Speaker, I must tell you this. Whether it is a farmer in Minnesota or a rancher in Arizona or an American family around the kitchen table trying to make decisions on its own spending priorities, Americans instinctively know that this bloated bureaucracy can get by on 1 percent less if it means we restore the sanctity and preserve the sanctity proven this fiscal year in keeping our hands off the Social Security Trust Fund.

I yield to the gentleman from Minnesota.

Mr. GUTKNECHT. You mentioned something about the waste and mismanagement, and you earlier talked about foreign aid.

One of the most outrageous examples that we heard about in the last month or so was that there are reports, and I think fairly well documented reports now, that of the foreign aid and the IMF money that went to Russia we believe as much as 10 billion, that is with a "B," billion dollars, has been looted by the former KGB agents who now run the Mafia in Russia. In fact, much of that money has been laundered through New York banks.

In fact to make it more interesting, just a couple of weeks ago there was several people finally to at least some credit of this Justice Department, or at least some enterprising people working out in New York, that were actually indicted. So during the same week in which we now have growing confirmation that billions of dollars in foreign aid has been expropriated and looted in places like Russia, the President says, Well folks, we need another \$4 billion in foreign aid.

Now I want to come back to the point now. Our leadership has looked at several options of how we close the gap so that we make certain that we do not take a penny from Social Security, which I think everyone in this body wants to live by, and some of them say, Well, we don't like that plan.

The answer simply is, well then let us hear your plan? What is your plan? Here is the question that the members of the working press in this city ought to be asking the people down at the other end of Pennsylvania Avenue every single day: What is your plan? You do not like the plan of the folks up on Capitol Hill? Fine, exercise a little bit of leadership. You help them and help America. You show us how we can balance the budget because it can be done.

In fact, every American family knows this; and, Mr. Speaker, let me tell you a story.

Every Sunday Americans sit around their kitchen tables and their coffee tables, and you know what they do? They clip coupons from the Sunday newspaper. Every Sunday Americans clip something like 80 million coupons from the Sunday paper, worth an average of 53 cents, and that is how American families balance their budget every week. Is it so much to ask for those families to say to us: listen, if it means cutting the Federal bureaucracy 1.3 percent, you should do it. Or if you want to take money from one department, and shift it and do a few other things, we do not care. But I think what the American people are saying, the ones who have finally realized that, yes, we have balanced the budget without using Social Security, once you finally accomplish that goal, do not go back. You finally have a chance to chart a new course because, and I want to close on this, Mr. Speaker, and then I will yield back to the gentleman from Arizona.

But he also mentioned something very important, because we talk in terms of \$1754 billion, and we talk about balancing the budget, and we talk in terms of numbers and percentages, and we begin to sound like accountants. But at the end of the day this is not just an accounting exercise. It really is a very, very important exercise in democracy; and what it is about, and I mentioned earlier that I was born in 1951. You know the interesting thing is there were more kids born in 1951 than any other year. We are the peak of the baby boomers, and I am fortunate. Both of my parents are still living. They are both on Social Security; they are both on Medicare. And I have three kids, and the oldest two of them now are basically on their own, sort of on their own.

But this is all about generational fairness because on one hand in terms of making certain that every penny of Social Security only goes for Social Security, on one hand what we are doing is we are saying to our parents we are going to make certain that you have a more secure retirement, and I think we need to do that.

But by balancing the budget without using Social Security we are also saying to all the baby boomers and working Americans that we are going to have a stronger economy because we are going to have lower interest rates. In a stronger economy a rising tide lifts all boats, but on the other end of that generational fairness what we are really saying to our kids is we are going to guarantee that you will have a chance at the American dream and a better standard of living.

So it is about securing a brighter future for our kids on one hand, it is about a more prosperous, stronger economic future for the people who are working currently, and it is also about securing a brighter retirement for our parents. So this is not just an accounting exercise, this is about generational fairness; and now that we finally

reached the promised land, we must not turn back, and the message is clear to the American people, to our colleagues and to the people at the other end of Pennsylvania Avenue.

We will not raise taxes. We will not raid Social Security. We will not let the President shut down the government unilaterally. We are going to do everything we can to stop him. But everything else is negotiable.

We want to be reasonable. We want to be flexible. We are willing to work within those parameters. If the President will join us, we can have a budget agreement by the end of this week, we can all go home next week, and frankly the American people will be better off.

Thanks so much for taking this time, and thanks for letting me join you.

Mr. HAYWORTH. I thank my colleague from Minnesota who offers the common sense perspective of the upper Midwest and just puts in everyday terms what is absolutely so practical and so apparent, and he is quite right. What I call the human equation is at stake here, to make sure the truly needy have a safety net, but also to make sure that money masquerading as a safety net does not become a hammock for the greedy and for those who have been wastrels and less than good stewards of tax dollars from the American people.

I would note this, Mr. Speaker. In other quarters in this town there are those who are especially sensitive to polling numbers, and indeed there are stories of some folks being out in the field nightly polling to determine how they will lead. I happen to think leadership is leading first and then seeing if the message and the course of action is responded to by the American people, and that is why I bring poll numbers to this floor tonight, that I think many in this town, especially in the administration, knowing how sensitive many of its members are to polling questions and polling numbers might be.

This is a Fox News Opinion Dynamics poll of 904 registered voters conducted on October 20 and 21. The question is: Who do you trust to make the best decisions on budget issues? Mr. Speaker, 56 percent of the American people say they trust the Congress on budgetary issues. Twenty-one percent say they trust the President.

I would simply suggest, Mr. Speaker, knowing that there are those especially sensitive to those types of numbers, the reason I quote them here is to reaffirm what my colleague from Minnesota has said. We understand that reasonable people can disagree, but it is highly unreasonable for those in this town to be tempted by the allure of a political stunt to try and shut down the Government hoping that there will be an amen chorus from the partisan press that would somehow sway the American people. That is a gambit that leads to a legacy even more infamous than what already exists.

In a positive vein we congratulate the President for signing the defense

appropriations bill that means that a much needed pay raise for our men and women in uniform will at long last be realized. We would ask the President to reconsider his notion of taking \$4 billion of the Social Security Trust Fund to spend on non-Americans in terms of increased foreign aid, and we would ask the President to re-evaluate his plan to veto the Commerce State Justice bill because he wants more money going to international organizations that at the very least attempt to muddy our sovereignty and our unique rights as a nation state in the free world.

So I would simply say again we have stopped the raid on Social Security. We have crossed, made that incredible stride for the first time since 1960. Though the message has gotten short shrift in the reportage of this town, we dare not retreat. Having stopped the raid, let us not renew it. We would invite the President, Mr. Speaker, and the minority leader who only yesterday on national television said that it was his goal, and let me quote him again; I want to be fair about this. He said, quote: "We really ought to try to spend as little of it as possible."

To change that point of view, join with us; stop the raid on Social Security, accurately protect America's priorities, and let us work as men and women of goodwill to make sure the raid has been stopped once and for all. That is the promise of the new day. That is the pledge we make in a spirit of bipartisanship.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Ms. CARSON (at the request of Mr. GEPHARDT) for today on account of official business.

Mr. RUSH (at the request of Mr. GEPHARDT) for today and the balance of the week on account of a death in the family.

Mr. MASCARA (at the request of Mr. GEPHARDT) for today on account of medical reasons.

Ms. KILPATRICK (at the request of Mr. GEPHARDT) for today on account of official business.

Mr. BECERRA (at the request of Mr. GEPHARDT) for today on account of official business.

Mr. TAYLOR of North Carolina (at the request of Mr. ARMEY) for today and October 26 until 5:00 p.m. on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. BROWN of Ohio) to revise and extend their remarks and include extraneous material:)

Mr. BROWN of Ohio, for 5 minutes, today.

Mr. ETHERIDGE, for 5 minutes, today.