

needed capital to keep the U.S. economy healthy.

Barring this approach, however, Congress should provide tax relief, and I understand tax relief. This is what Chairman Greenspan said to our Committee on Ways and Means last week in a hearing: "If we have to get rid of the surpluses, I would prefer reducing taxes rather than spending it. Indeed, I don't think it's a close call."

That question was posed to him because there was a notion somehow that all of the money should go to surplus to retire the debt. Mr. Greenspan clearly agreed with that premise. But then as he looked at the budget unfolding as produced by President Clinton that we are now reviewing, we see that all surpluses are going out the window. All programs are expanding. All are growing past the rate of inflation. All are looking at solving the world's and our national crises by infusing more dollars here in Washington, rather than sending it home.

Mr. Greenspan took strong exception, saying if there are surpluses and they are not to be used or will not be used for deficit reduction, then clearly they should go for tax reduction. I stand on the side of Mr. Greenspan.

Mr. Speaker, I include for the RECORD the article previously mentioned.

The article referred to is as follows:  
SPENDING BUDGET SURPLUSES: WAIT UNTIL  
THEY'RE REAL

President Clinton's proposed \$1.77 trillion budget released Monday, with its projections of \$2.4 trillion surpluses over the next 10 years, has both parties ready prematurely to abandon fiscal prudence in exchange for votes in the year 2000 election.

Even the GOP's last holdout against huge tax cuts, Sen. Pete Domenici, R-NM, has joined the parade. While he condemned Clinton's budget as a return to an "era of really big government," the chairman of the Senate Budget Committee has signed on to across-the-board tax cuts pushed by party leaders.

But just as stock market seers warn that market catastrophe usually follows the coaxing of the last pessimist to buy in, so may today's golden surpluses turn to lead. There's ample reason for caution, as the surpluses everyone is counting on aren't yet real.

#### THE PHONY SURPLUS

While both Clinton and Republicans pretended Monday that there is a surplus now, the general fund budget isn't predicted to be in balance until 2001.

Until then, the only surplus the government will be running is in Social Security.

It's an old trick. Government has for years covered up huge deficits by borrowing billions from excess payroll taxes paid into Social Security for baby boomer retirements and using them for daily operations.

The only difference over the next 10 years is that the \$1.8 trillion in Social Security surpluses will make government's anticipated overall surpluses appear larger. That's how Clinton's budget achieves most of the supposed \$2.4 trillion surplus.

The bottom line of the equation, though, is the same. Any spending increases or tax cuts will be paid by borrowing from Social Security, increasing the burden on future taxpayers when baby boomers retire.

Real general fund surpluses will be put off for years, and that's if forecasts are correct, unlikely considering past performance.

The Reagan administration, for instance, in its first budget in 1981 forecast a \$29 billion surplus by 1986. A deep recession and fiscal irresponsibility by the administration and Congress produced a \$221 billion deficit instead.

Since 1980, budget-surplus or deficit predictions have been off by an average \$54 billion a year, or nearly 5%. Five-year predictions are even more iffy, being off an average 13%.

Counting on surpluses that haven't arrived thus amounts to a big gamble, especially in current economic conditions.

#### A BUBBLE ECONOMY?

Last month, the economy set a peacetime record for an expansion, eclipsing the mark set in the 1980s. But there are signs of bumpy times ahead. The rest of the globe continues to suffer from slow or falling growth. Asia remains in crisis, with Japan in recession. And teetering on the brink of another fiscal chasm is Brazil, key customer to Latin American economies to which U.S. exporters look for \$240 billion in annual sales.

As a result, U.S. exports, which had been the key to U.S. growth through much of the 1990s, aren't likely to grow much. And as in the past two years, the U.S. and world economies will continue to depend on U.S. consumers buying more and more.

The problem: Americans aren't saving much to support their spending. Household savings rates last year were the lowest since the Great Depression. People are relying on stock market gains to maintain living standards.

Many market analysts, though, worry that current stock values, up threefold since 1993, aren't sustainable. And if the bubble bursts, consumer spending may head south.

For the budget, that could spell disaster. Capital gains tax receipts on stocks have jumped 130% since 1994, contributing heavily to a 50% increase in personal income taxes. Future surpluses rely on stock market gains leading to big, taxable pension payouts.

A fall in the market, a decline in consumer demand and a resulting recession would leave the government depending on Social Security to cover up its own deficits once again.

A year from now, with the world crisis eased or worsened, the picture will be clearer. But that doesn't fit the political calendar, which remains focused on the 2000 elections.

#### BUDGET BLOAT

The push to use up the surplus also would ease pressure on government to spend its money more efficiently.

Business leaders who looked into Defense operations, for example, found \$30 billion in annual savings that would improve performance. But the reforms face tough sledding in the Defense bureaucracy and Congress if Clinton and Congress ease spending caps.

Similarly, the General Accounting Office of Congress has pinpointed billions in savings in agencies handling everything from food inspections to housing to transportation. They may not see the light of day if Clinton and Congress no longer have to pay for new programs by achieving savings in old ones.

The possibility of huge budget surpluses is not a reason to return to old spendthrift ways that built up the \$5.6 trillion national debt.

As Federal Reserve Chairman Alan Greenspan said last week, the best thing government can do with any extra money is pay down that debt. The proposed budget, though, continues to fund the debt with So-

cial Security surpluses, not eliminate it as celebrants suggest.

To really pay it down, the government needs to run a real surplus. And that simply hasn't happened yet.

#### ZEALOTRY HAS AGAIN SHUT DOWN MUCH OF AMERICA'S GOVERNMENT

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

Mr. DOGGETT. Mr. Speaker, during the first dreadful year of the Republican takeover of this Congress, zealots right here in this House insisted on shutting down the government of the United States of America, causing considerable disruption and attracting a rather considerable and well-justified indignation and public outrage on the part of the American people.

I believe that America needs to know that this same brand of zealotry has again shut down a large part of our American government. During the month of January, the Congress of the United States did not approve one single bill.

This Congress indeed failed to even consider or debate here in the House a single piece of legislation; not improvements on the quality of public education, not a consumer bill of rights to help those who have been mismanaged by managed care in this country, not reform of our campaign finance system that is at the heart of so much wrong in what happens in this Congress. Not anything was done in this Congress.

Indeed, the leadership of this House has announced within the last few days that it plans to put campaign finance reform on the back burner, the same method that was used to strangle reform in 1998 and the years before under Republican control of this Congress.

While most Americans are out there working at least an 8-hour day, this House of Representatives worked on this floor during the month of January an 8-hour month. That is right, the House met here in session to work on the problems of the American people about the same amount of time in the entire month as the ordinary American worked in one single day.

Keep in mind that this inaction on the part of the Congress follows the year of 1998, a year which has been hailed by historians as perhaps the most unproductive and irresponsible of any year in the history of the Congress in the post World War II era. This is a Congress that, for the first time in 30 years of having a Budget Act, was not even able to agree on a Federal budget resolution because of an internal struggle in the Republican caucus here in the House between the far right and the not-so-right.

After failing to gain approval of a variety of schemes, this was a Republican House whose major accomplishment in

1998 was the passage of something called the Omnibus Appropriations Bill. That was the one that weighed in here at 40 pounds, almost broke the table up here at the front of the Congress, and which was presented in such a fashion that few if any Members knew what was in it until weeks later, as the reporters began to discover all the pork that was laden in this allegedly conservative bill.

Undoubtedly some Americans are going to be pleased to hear that this Congress is shut down and not doing anything, instead of approving that kind of nonsense. No doubt there will be some on the fringes who really believe the government should do nothing that will be very pleased that their dreams have been realized and that this House is largely doing nothing.

February, well, it does not look noticeably better. Under the best of circumstances, this House may convene for a few hours on about 10 days to approve a few largely uncontested bills.

Today, for example, we will pass the first piece of legislation in this Congress. It is a measure that we are approving, reapproving today, in the very same words that we approved unanimously last year. For some reason the Senate never got around to considering it.

Tomorrow we will replace one stopgap measure approved last fall with another stopgap measure to carry us forward just a few more months until the House finally gets down to work to develop a meaningful bipartisan long-term solution to the transportation problem.

I would say that even if we gave Ken Starr another \$50 million or so to waste, I do not even believe he could find anything notable that this House has done in the opening weeks of 1999 to help the ordinary American citizen. Most of the folks that I represent down in central Texas would prefer to see their Representatives in this House, the people's House, tending to the Nation's business.

The President has outlined what I think are a number of very important budget priorities throughout December and January. I believe they demand our attention and debate. He has emphasized the importance of conserving the surplus, letting it build up. I believe we should do that. I believe it is time to stop the shutdown of this House and get back to the Nation's business.

#### HOW LONG WILL THE WAR WITH IRAQ GO ON BEFORE CONGRESS NOTICES?

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, I ask my fellow colleagues, how long will the war go on before Congress notices? We have been bombing and occupying Iraq since

1991, longer the occupation of Japan after World War II. Iraq has never committed aggression against the United States.

The recent escalation of bombing in Iraq has caused civilian casualties to mount. The Clinton administration claims U.N. resolution 687, passed in 1991, gives him the legal authority to continue this war. We have perpetuated hostilities and sanctions for more than 8 years on a country that has never threatened our security, and the legal justification comes from not the U.S. Congress, as the Constitution demands, but from a clearly unconstitutional authority, the United Nations.

In the past several months the airways have been filled with Members of Congress relating or restating their fidelity to their oath of office to uphold the Constitution. That is good, and I am sure it is done with the best of intentions. But when it comes to explaining our constitutional responsibility to make sure unconstitutional sexual harassment laws are thoroughly enforced, while disregarding most people's instincts towards protecting privacy, it seems to be overstating a point, compared to our apathy toward the usurping of congressional power to declare and wage war. That is something we ought to be concerned about.

A major reason for the American Revolution was to abolish the King's power to wage war, tax, and invade personal privacy without representation and due process of law. For most of our history our presidents and our Congresses understood that war was a prerogative of the congressional authority alone. Even minimal military interventions by our early presidents were for the most part done only with constitutional approval.

This all changed after World War II with our membership in the United Nations. As bad as it is to allow our presidents to usurp congressional authority to wage war, it is much worse for the President to share this sovereign right with an international organization that requires us to pay more than our fair share while we get a vote no greater than the rest.

The constitution has been blatantly ignored by the President while Congress has acquiesced in endorsing the 8-year war against Iraq. The War Powers Resolution of 1973 has done nothing to keep our presidents from policing the world, spending billions of dollars, killing many innocent people, and jeopardizing the very troops that should be defending America.

The continual ranting about stopping Hussein, who is totally defenseless against our attacks, from developing weapons of mass destruction ignores the fact that more than 30,000 very real nuclear warheads are floating around the old Soviet empire.

Our foolish policy in Iraq invites terrorist attacks against U.S. territory and incites the Islamic fundamentalists against us. As a consequence, our efforts to develop long-term peaceful

relations with Russia are now ending. This policy cannot enhance world peace. But instead of changing it, the President is about to expand it in another no-win centuries-old fight in Kosovo.

It is time for Congress to declare its interest in the Constitution and take responsibility on issues that matter, like the war powers.

#### RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess until 2 p.m.

Accordingly (at 1 o'clock and 30 minutes p.m.), the House stood in recess until 2 p.m.

□ 1400

#### AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 2 p.m.

The Chaplain, Reverend James David Ford, D.D., offered the following prayer:

May Your gifts of goodness and peace, O God, be upon us and all people; may Your blessings of joy and happiness be and abide with us all; may Your abundant favor touch every person in the depths of their hearts; and may Your comfort bring healing and assurance to all in need. Above all the noise of each day and above any clash or contention, we are thankful that Your still small voice strengthens and ministers to us in our very souls. For this we are eternally grateful. Amen.

#### THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

#### PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Ohio (Mr. TRAFICANT) come forward and lead the House in the Pledge of Allegiance.

Mr. TRAFICANT led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

#### COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

OFFICE OF THE CLERK,  
HOUSE OF REPRESENTATIVES,  
Washington, DC, January 20, 1999.

Hon. J. DENNIS HASTERT,  
Speaker, House of Representatives,  
Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted to clause 5 of rule III of the