

might. I think they know, and I think they can wisely make decisions with a very small percentage of those Social Security payments. Remember, the people that are in the Social Security system, we are not allowing them to invest everything. We are not going to allow somebody to go in there and say, I want to take all my Social Security and put 100 percent of it in the stock market. We are taking 98 percent of it and saying, You don't have any choice on it. That is your safety net.

□ 2000

That no matter how bad a decision you make, you still are going to have a payment available to you for those of us born in 1960 in another 15 years or 20 years, but we are going to do something different. Some would call it a dramatic course of action.

I do not think it is dramatic in its results. I think it is dramatic, and it is finally about time that somebody stood at the helm of the ship and said let us change the course.

What we are doing is we are allowing them to take just a small percentage, that younger generation, and let us give them a little confidence for their capabilities of making decisions and saying to the younger generation we are going to allow you a choice. You get to help in that investment; it is, after all, your dollar. Many people in Washington D.C., get the idea that it is the money of the Government back here.

It is not the money of the Government. It is the money of the people, and they have sent it to us on a trustee basis, and I do not think it is so wrong to ask them to help join us in the decisions that should be made on the investments of their dollars. And that is what that Social Security plan calls for. That is why I hope when we reconvene with a new President in January of next year that on that agenda we have three items of which I consider very important: one, an opportunity to take Social Security and allow the people more input and allow the younger people of this country an opportunity to voice their decision and help make decisions on their own personal investments in that Social Security system. We can save Social Security. It does not need to be bankrupt in 30 years.

The second thing I hope we see when we have a new President in January, because I am afraid unfortunately that the President we have today is going to veto it, and that is elimination of the penalty for being married. As I said earlier, how can we possibly justify marriage as a taxable event? This President does. It is his policy.

The third thing I hope we have when we have a new President in January is the elimination of that death tax. Like with the marriage tax, how can we justify taxing somebody simply based on the fact that they died? What kind of government is this? Is this a socialistic type of government?

What does it do to the local communities? What does it do to the family

farms and ranches? What does it do to the small contractor. Remember, a backhoe, a dump truck, and a bulldozer and you are in that bracket.

Mr. Speaker, I am in hopes in January we have a President that will do those three things: guide us with Social Security, give us some bold strong leadership, as the governor of Texas has suggested; number two, get rid of that marriage penalty. Let us do what we say we are doing. Let us really encourage our young people to get married. Let us encourage our young people to have a foundation of family without worrying about being taxed for it. Third of all, let us give the next generation on the family farm or the family ranch and the local farming community, let us give them an opportunity to keep those resources in the family, in the community, instead of penalizing the family, penalizing the community, in spending that money right out of there straight to Washington, D.C.

I am confident, colleagues, that we have a very positive future ahead of this country. I could not be more excited about the future of the United States of America. I could not be more excited about our young people, and that is why we have to keep education as a priority; that is why we have to look at these factors that I have discussed tonight.

We cannot continue on a positive course and improve it if we do not put a lot of effort into it. It is not going to come free, and it is not going to happen when we penalize marriage. It is not going to happen when we penalize death, when we call it a taxable event. It is not going to happen when we look at this next generation and say to them, well, to Social Security, here is your bankrupt system that you helped pay for. We can change all of that.

I hope my colleagues join with myself and our new President in January to make those kinds of changes, because that is what this country is all about, making a difference. And we, colleagues, can make that difference, and the people of our country deserve it.

#### INVESTING IN OUR FUTURE

The SPEAKER pro tempore (Mr. KUYKENDALL). Under the Speaker's announced policy of January 6, 1999, the gentleman from North Carolina (Mr. ETHERIDGE) is recognized for 60 minutes as the designee of the minority leader.

Mr. ETHERIDGE. Mr. Speaker, I trust I will be joined by some of my colleagues before the evening is over with to talk on the issue, but as my colleague, the gentleman from Colorado (Mr. MCINNIS) was talking about a moment ago on Social Security, I would remind our colleagues and those who are listening this evening that Social Security has been with us now since the 1930s.

There have been those who have talked about its demise ever since and

some who have tried to make sure it was not here, but I would remind them as we talk about all of the gimmicks, anytime we take money out of the system, if it is 2 percent or 3 percent or whatever the percent we take out, that is less money we have for those who are drawing. It means that we will meet that date of finality he was talking about, and it will run out of money sooner.

Mr. Speaker, I was home this weekend and had an occasion to see a movie. The gentleman from Colorado (Mr. MCINNIS) talked about the turmoil and all the tough times as if it were a turmoil, and that reminds me of a movie I saw called the Perfect Storm. When these fishermen went out to catch their final catch and they made the fatal decision to head into a storm without really having all the facts, if you have not seen the movie, the Perfect Storm, I will not give away all the plot.

I would say to my colleagues, just like dealing with Social Security, anything else, we better know where we are headed because the Perfect Storm was a total disaster, one of the worst in our history.

Mr. Speaker, this evening I want to talk about investing in our future. As the former chief of my State schools, I want to talk this evening about a critical issue facing our Nation, and that is the education of our children, and the buildings in which we put them as well, because it is about investing these dollars that Congress is talking about now that we have or we may have over the next 10 years.

Before we get too far along this road of making some decisions on tax relief, at a time when we better be investing in the next generation, there is no question that we can have targeted relief; but we better be making the investment in our young people.

Mr. Speaker, all too often in this town we hear politicians making speeches about how the schools are supposedly no good, how they ought to have competition, how it is really in the private sector that things are really happening, it is really not in the public sector.

I am here this evening to tell my colleagues that I am one of those who will defend the public schools as the best opportunity for excellence in education for all children, and we need to stand up and be counted and spread the good news about those quiet successes, those stories that are happening in communities all across this country that are not being told.

Too many times we like to talk about problems. It is easy to talk about negatives; people will listen. This morning I had the opportunity in my district to visit one of those success stories, and I would say that any Member serving in this body can find a success story in their district any time they want to find it. We can always find the glass half empty. The question is, do we really want to find it half full?

Education, and public education is that great leveler in society that helps people have an opportunity to move up. As I said, I visited one of those successes this morning; and I am honored to have an opportunity this evening to brag a little bit on those students, and those teachers, on those teachers' assistants, an outstanding principal, and an awful lot of people that contributed to the success of a bunch of children.

This morning I visited Harnett Primary School in Dunn, North Carolina, to participate in a teacher appreciation day that was put on by the local PTO and business people in that community.

I can say I was amazed at the success that principal Linda Turlington had with her wonderful faculty staff and students, but I probably would not be totally honest, because I know them. They are outstanding people and they work hard; but I think if they were here this evening talking with my colleagues and others, what they would say is they represent millions of teachers and staff who go in to an awful lot of nice schools, some not so nice schools, and some buildings that children ought not to even be in, because of the condition they are in; and they work hard every day and go home in the evenings and prepare for the next day to help children meet the challenges of the 21st century.

Let me talk for just a minute, if I may, about Principal Linda Turlington and about her wonderful staff and her faculty and all of those students. Just 4 years ago, 4 short years ago, they had a performance that they were not happy with. Only about 50 percent of her students, or their students, were performing at what is called grade level on the North Carolina end-of-grade test. They decided that was not acceptable; they could do a better job with their children if they worked together.

And I spoke to them about that this morning, because it is fine to have one outstanding teacher, one outstanding principal; but it is what we have to have as everyone working together as a team to make a difference. We can have a great athletic team, and we can have a superstar; but if all we have is one superstar, they may make a difference in some games. They will not win all the games. We have to be a team.

So they started to work. They started identifying students. They started making sure their curriculum was rich, it was strong, that they were helping every children achieve. So last year they went from 50 percent to raise that level or the year before last, last year, almost 80 percent of their children, 77.4 percent, had reached grade level.

This morning they were saying that is not good enough. They are working for all their children; that is real progress. It is the kind of improvement we ought to go about making in every community, in every county, in every State across the country; and we can

do it. But we can only do it when we talk about the successes and help people achieve the best they can achieve.

We cannot do it when we always talk about all the problems that run people down. This did not happen by accident. It took dedication, hard work on the part of teachers implementing the best practices they could get, not only in their school, but in their system, pulling down the best ideas all across the State and across the country.

They practiced the things they learned, and they shared it on a collective basis; and they brought in some of the best minds to work with them. Everyone was committed and focused on achieving and sharing the goals of one thing, to improve student achievement.

Now, did this school achieve all of these great successes because they had the best students in the county system? The answer is no. They had outstanding students. Every school does. Remember, this is the same school that only had 50 percent 4 years before. What was different? It was certainly attitude on the part of the teachers, and everyone on that staff. And it was also the attitude on the part of parents and students who said we can do better, and we will do better.

I am so proud that this school has achieved the exemplary status for the people in Dunn and for Harnett Primary. But I say to my colleagues this evening that rather than bad-mouthing our public schools, like many politicians in this town do, Congress needs to support the sincere effort under way on the ground.

As we work to improve our schools for all of our children, every child, whether they come from a background of parents who have resources to help them, or whether they come from parents who want their children to do well but just do not have those resources, every parent in the 8 years I served as superintendent, I never met a parent who did not want or desire for their children to have a good education.

□ 2015

They may not have known how to get there, but they wanted it for them.

Mr. Speaker, we have that challenge today, we have it next week, and we will have it next year. Certainly Congress has no business, in my opinion, trying to be a national school board. That is not our charge nor our responsibility. It is a state-funded responsibility and local delivery of education, but there is no reason that Congress should not, cannot, and ought not to put resources in to help those young people in those schools and areas where they are not achieving, where they should be achieving.

We made that decision years ago, and the Federal funding for education has slipped since the 1960s. We went through a period where we saw it drop, and now it is coming back, and we need to continue that push. It is so important.

The 21st century, in my opinion, will be a century that will belong to the

educated. Let me repeat that again: The 21st century will belong to the educated. There was a time when you could get a job if you dropped out of school. Those days are fast disappearing.

We spend a lot of time in this town arguing back and forth about appropriations, budgets, et cetera, et cetera, but what gets lost too often in all the sound and fury of legislative debate is the central meaning of the choices we make.

The choices we make are about our priorities. They also say something about our character, what we care about. Where we put our resources, or our money, if you please, tells people what is important to us. If you go into a town and you see a nice school building where the parents and the community are invested and involved in, it says education is important in that town. I happen to believe if you go into a town with a rundown building, children recognize very quickly, that is not the most important priority on the part of the people in that town. If the businesses are in order, it says that business is important. I think you can have a partnership of all. The budget and spending choices we make here define what our priorities are. As I said earlier, they truly express our values.

I would say to you that many of my colleagues in the Democratic Caucus and I have been working all year to try to give greater priority to education in this budget process. Why education? As I said earlier, because education is the key to the future for every child, every child, no matter what their ethnic or economic background may happen to be. You deny a child an educational opportunity and you have denied a future family an opportunity to prepare and invest in the next generation. It is as simple as that.

Certainly we value education, and we value it because we know that lifetime learning is the key to the American dream and today it is that ultimate ticket to the middle class. Everyone wants to get there. Whether a child is born into poverty today, if they get an education, they can be in the middle class tomorrow. But if we deny them an educational opportunity, they are relegated to poverty and so are their future children.

We talk about the global economy and America's international competitiveness. Certainly we are in a global economy. What happens on the other side of the world, through telecommunications we know about it now almost instantaneously. But it also means that what happens on the other side of the globe economically impacts us, and we are going to have to deal with them educationally, and our ability to have a knowledge-based job economy is important.

That does not mean agriculture will not be important in the future. Certainly it will be. It will continue to be. I grew up on a farm in my home State. As I tell my colleagues from time to

time, I grew up on what we call a small family farm. I knew what it was to get up at 3 o'clock in the morning and take out tobacco and prime tobacco all day.

But those jobs have changed. Those small farms are much larger today when we talk about family farms. Where I grew up on a 50–75 acre farm, now when you talk about a farm, the farmer is talking about hundreds of acres. It has changed. Technologically it has changed. The equipment you use is different.

It means that even the farmers have to be better educated to compete today. They have to know financing, they have to have computers. Their equipment is driven technologically. The combines, the tractors, all of those are the same thing, just like the factories, are computer driven. That is why children need to have technology in the classroom and teachers need to have it so they can teach it and integrate it in the curriculum.

So in this new economy of this information age, what people can earn will certainly depend on what they have learned. We see that each and every day. We see more young people today becoming millionaires on the dot-com, but, in the end, we have to make something. They are speeding up the process.

It comes back again to what I started talking about, Mr. Speaker. It is about education. It is about access so everyone has a chance at this table. I used to tell folks when I was superintendent, this thing we call public education in America is one of the great opportunities in the world. It is one of the few places in the world that I know of that every child, no matter what their ethnic or economic background may happen to be, they can step up to the great smorgasbord, and, if they are willing to work and learn, they can go as far as their ability will carry them.

We have opened that door of opportunity. We ought to keep it open, and we need to swing it open even wider, right on beyond high school, because today just having 12 years or 13 years is just not adequate. We are going to need 2 and even 4 or more years beyond high school as we move into this 21st century.

So we have been trying here in Congress to get this Congress to give higher priority to strengthen our neighborhood schools and demonstrate how much we value education for our children. Yes, it takes resources, yes, that is money. When you have children who have special needs, they will be contributing members of society if we give them an opportunity to get an education. Yes, those children who have been deprived early will do better if we open the doors and give them pre-kindergarten and special care early on. They will be contributing members and they can make a difference in society and be good students in school. But a child who starts school behind, I am here to tell you, will have a tough time, and many of them may never

catch up. That is why Head Start is important for every child who needs it. There are those who would tell you, well, we cannot do it. We cannot afford it. Can we afford not to? Can we afford to have losers? I don't think so.

I think we are a big enough society, we are a big enough country, we have the resources to do all those things if we do it. But, unfortunately, the House Republican leadership has said that we need a lot of other things first. I happen to believe that we need targeted tax cuts. But everything I read lately tells me that what we decided, last year we had almost \$800 billion. This time we are talking about doing it in pieces so we will have more and we want to starve them so they will not have the resources.

I grew up on a farm and one of the things I never forgot that my dad told me, he said, "Son, don't feed the seed corn. Use your best corn to replant it so next year you can have a good harvest." What this majority wants to do is eat the seed corn so that our next generation will not have the opportunities, and that is wrong.

We need to make the kind of educational investments so that we can make our schools world class, so we can have high quality curriculum for every child in every classroom. And, yes, we ought to hold them accountable. We ought to have high standards, because, just as I told you at the outset earlier today, the school in Dunn, North Carolina, Harnett Primary School, is holding their children accountable, holding their parents accountable, holding themselves accountable, setting high standards, and those students are reaching it.

I certainly oppose these misguided priorities. We ought to invest in education, we ought to hold the system accountable, and we ought to get it done.

I am pleased at this time to yield to the gentleman from New Jersey (Mr. Holt) to discuss more about our priorities in education. He certainly has been a leader in the whole area of education, but he has focused his attention on science education. He is one of the true scientists here in Congress and brings a lot to the table.

Mr. HOLT. Mr. Speaker, I am pleased to join with my colleague from North Carolina, who has been a leader throughout his career on education, and has brought that lifetime of experience here to the House of Representatives.

The number of school children is growing now at a record-setting pace. We are experiencing the echo, the baby-boom echo, where the children of the baby boom are in school. I can tell you in my congressional district, there are some school districts where the number of children in kindergarten outnumbers the number in the 12th grade. You do not need to have higher mathematics to understand the implications of that for school construction and the need to provide good classrooms for those teachers and students.

With more than 52 million students in schools today, an all-time high, we are experiencing real crowding in the classrooms. To alleviate the crowding, many of the schools in my district are using the temporary solution of temporary structures, long, narrow, trailer-like facilities that are really unsuited for classrooms. But many schools are forced to use that.

New Jersey communities, as in many other parts of the country, need assistance to help provide the space for the children to learn, for the teachers to teach, and we really cannot postpone that any longer. The civil engineers point to this as the number one infrastructure problem facing the country today. We are investing billions of dollars in new prisons, we are investing billions of dollars in military installations. We should be investing resources in our schools for the sake of our children. It is the seed corn that my colleague speaks of.

I visited more than 80 schools in this term that I have been in Congress, and everywhere I go I hear from parents and teachers and students who feel that there is a role for the Federal Government. We can help.

Together with my colleague, the gentleman from North Carolina, I am working to help these fast-growing school districts, such as he has in his district, such as I have in mine, helping them to afford new and modern schools with what I think is a very attractive concept, tax credit for the holders of school construction bonds, in effect using Federal tax credits so that the school districts are reduced from the pressure of having to pay the interest to raise the capital for the school construction. These interest-free capital bonds will leverage the amount of money available to the school districts. My colleague has been a leader in devising and advocating this really very creative and attractive way of funding school construction.

Mr. ETHERIDGE. Mr. Speaker, reclaiming my time on that point, for our colleagues I hope they remember that that is H.R. 996, and, so they do not misunderstand, as the gentleman has indicated, all this does is pay the interest through a tax credit. It would allow the States and local jurisdictions to build the schools, to issue the bonds, but they would pay the principal only and no interest.

It is a way to help the local units not only build the new buildings they need, and we have 53 million students coming into our public schools, the largest number in the history of America, but it will also allow them to renovate and provide for the technology that they so sorely need.

I thank the gentleman for being such a strong proponent of this and being one of the earliest signers on this legislation with me, and trust before this Congress adjourns, that the Republicans will agree to bring this out of the committee, put it on the floor and let us vote it and help the schools.

Mr. HOLT. Mr. Speaker, we certainly should have the opportunity to debate this and vote on it on the floor. It takes away no local authority. The local school authorities will determine what needs to be built and where it needs to be built and when it needs to be built, but I know in my district, many of the towns have difficulty justifying to the taxpayers the large increase in property taxes that would result from the necessary school construction.

Now, this is not a free lunch. Of course, what we are doing in effect is deferring Federal revenue, but in the case of the school districts in central New Jersey it would be a shift away from property taxes, which would allow school districts to get on with the school construction that they know, that we all know, that they need to do.

□ 2030

I think it is a very attractive concept. I only wish, as my colleague says, that we could get this to the floor to be debated as it should be.

The gentleman has been a real leader in advancing this idea and I think this will find favor all across the country.

One other thing I would like to comment on is technology education, science education, and the importance of teachers. I think one of the greatest disservices that we do to students and to teachers is sometimes when people will talk about a born teacher, so and so is a born teacher, there are no more teachers born than there are born lawyers, born doctors, born engineers.

When we talk about it that way, we lose sight of the fact of what hard work it is to be a teacher, and how a teacher must work to keep up with developments in their field and developments in learning, learning how children learn.

So that if we are going to invest in the children of this country and in their education, we must invest in the professional development of teachers.

In most businesses, it is customary to spend several percent, maybe 5 percent, maybe 10 or even 20 percent of salaries in the training and development of the employees. In the field of education, in schools, that is typically 1 percent or less that is invested in the professional development of teachers.

We must recognize that teaching requires continuous learning, continuous development, so that teachers can be the professionals that we want them to be.

In the area of technology, our cars now have more computing power than the Apollo spacecraft had. Computers can send billions of dollars of capital around the world at the touch of a key, and our economy is booming with growth in high-tech industries, and yet a recent survey published by the Department of Education tells us that only 20 percent of teachers feel qualified to use the technology that is now available to them. Not some future technology that is coming but what is available to them today.

That is why I am cosponsoring legislation to help teachers teach technology education. We must do more. In order for our country to continue growing and prospering in this century, we must ensure that our students receive a quality education in science and mathematics and technology. We must do what we can to help the teachers be prepared to teach those subjects.

Mr. ETHERIDGE. Mr. Speaker, I commend the gentleman for those important comments. I particularly agree with the gentleman on the issue of school construction that is so badly needed, not only in those growth areas but in a lot of our urban areas where children are going, as the gentleman said, trailers and substandard buildings that we would not operate a business out of.

I used to go to civic clubs, and still do, and say to the folks, if they really think rundown buildings are good then why do they not invite the next business who comes to town and wants to expand, take them down to the old warehouse front and ask them to put their business in there and just say to them it is the buildings; it does not make that much difference. It is the people that are put in there, and see if they come back and open their factory in their town. They will not come back.

I think the children deserve a quality place to go to school and teachers need a good place to learn.

Mr. HOLT. If I may comment on that point, nationally schools now have an average age of about 45 years. In New Jersey, it is a little closer to 50 years. The average school age in any other business that would be considered obsolete.

Mr. ETHERIDGE. That is correct.

Mr. HOLT. There is nothing that should lead us to believe that teaching techniques cannot advance just as business and manufacturing techniques advance.

We have learned a lot in the last 50 years, in the last 100 years, about how children learn. Some of that has implications for how we construct a classroom and how we run a class. We need modern facilities.

Mr. ETHERIDGE. The gentleman is absolutely correct. Architects are doing that, and I would say to our colleagues who have not been into a school lately, go into one. Talk with the teachers, spend some time other than visiting. They will find out that just because the buildings still may be square or are have corners, it is an entirely different place on the inside.

I happen to agree with the gentleman on this issue of technology. As the gentleman indicated earlier, as a former superintendent of my State schools I also know firsthand of a lot of amazing stories and a lot of good things happening in our schools.

For example, contrary to all the bad-mouthing our schools tend to get from partisan politicians, student mathematics achievement has improved. We

need to do better. Between 1982 and 1996, students improved their achievement in mathematics as measured by the, as the gentleman well knows, National Assessment of Education Progress, one of the most respected testing services we have.

Students in my home State, as an example, have made gains that are three times the national average of gains on NAEP. Some of the greatest gains have come from our minority students, which is crucial because we do not have a single child to waste in the 21st Century. We must bring everyone along. Today when unemployment is low and we are searching for workers, we need everyone.

We have other good news as well, let me just say to the gentleman. Student science achievement is improving. The gentleman has been a leader in trying to make sure we get more dollars out there to improve it even more. SAT scores have increased every year since 1990. ACT scores are up. These are things people do not want to talk about when we are doing good things.

Students are taking more AP courses. As the gentleman well knows, AP is the advance placement courses. In high school, one takes college level courses that they can use their first year in college.

School violence is coming down, and that is important. Public school teachers are better educated than private school teachers.

Some would want to say that is not true. These are statistics from the Department of Education. I think they happen to be accurate.

More students are going on to higher education. We need even more to go in this 21st Century. More women are going on to graduate and to professional degrees. As I said, we have no one we can leave behind. It is making a difference.

We have a lot more examples, but if America is going to seize the opportunity of this new economy that the gentleman was talking about earlier, Congress must provide national leadership in this vital area of education. We cannot shirk our responsibility because across this country American people are calling for a greater effort in investment in education, not less.

Now the Republican leadership is proposing private school vouchers all over again, the same thing we have heard before. They want to take billions of dollars out of tax money and use it to finance private school vouchers. I happen to believe that is wrong. We do not have enough money in the public schools today. We should not be draining those resources away and leave our children behind to be condemned to a bleak future of failure. That is absolutely wrong, and my colleagues and I who have been working on this special order this evening we do have some ideas about how we can do better things.

Yes, we must invest in a national commitment on education. Yes, we

must hold schools accountable. Yes, we must be accountable to the taxpayers. Yes, we must raise standards and every child must have an opportunity to learn, and we have to put the resources under them so they can get there.

Improving education in this country is about creating a classroom environment where children can learn and teachers can teach. We need to foster greater connection between students, teachers and parents, and the gentleman has worked on that. The gentleman has been a leader in it.

Mr. HOLT. The key is what the gentleman referred to just a moment ago, is every student. That is our national ideal, that we provide an excellent education for all students; not just science education for future scientists; not just smaller class sizes for those who can afford private schools; not just reading for those who are fortunate to have good pre-school access and exposure to books. No; for all children. That is the ideal that we should be upholding in everything we do here in the Congress, is that this general education, which is special to America, is what has made us so successful and what we must at every opportunity talk about and try to ensure in every school district across the country, that we are talking about education for all.

Mr. ETHERIDGE. I thank the gentleman for that. The gentleman is absolutely correct. When some people use the words they talk about students and children, they really are not talking about all children. They do not mean all children. The gentleman does. I do. I trust that is what we are talking about when we talk about public education.

I used to tell folks when I was superintendent, and I still do it as I talk, the difference between public school and any other school, than any other, is that when those yellow school buses show up in the front of that school, they do not ask those children have they had breakfast; they do not ask them if they came from a wealthy household with two parents; they do not ask them anything. They take all comers with all their opportunities, with all their challenges, and those teachers go in those classrooms every single day and work their heart out to make sure that every child does the best they can do.

It is a tough job being a teacher. I have a son who is a fourth grade teacher. It is a tough job. I admire him for it because I have been in and seen some of the challenges they face. My daughter was a high school teacher. She is now going to law school. I guess for whatever reason she wants to go into education law.

One of the best ways that we can improve education is one of the things the gentleman just talked about is providing smaller class sizes that are orderly, disciplined and where every child can get that additional attention that they so badly need. When we talk about private schools, or any other

area, we really are talking about personalized attention, smaller class sizes, because when a child has a smaller class size, they can get more individualized attention. That is why this Congress is working with the President trying to get 100,000 new teachers, and we are not talking about block grant so the money can be used for a lot of other things.

I was a superintendent. I know what will happen when block grants are sent. I was at the State level when Congress decided we are going to send a block grant, and the next thing we are going to do we are going to cut that sucker because we decided less can be used in administration; so we will cut it. Then when they cut it, they will come back and say a good enough job was not done with the money we sent so we are just going to cut it out; teachers or staff cannot be hired in block grants.

People tend to want to have a career path if they come into education. They are not looking for a one-year job to move somewhere else, and I do not think Members of this Congress still understand that when teachers are hired, the money ought to be categorized that they can use for that. Children show up in the classroom as kindergartners. The last time I checked, and the gentleman has been a proponent of this, they tend to stay 13 years. They need to be taught for those 13 years.

Mr. HOLT. Smaller class sizes, particularly in the early years, are essential. It is when students learn how to learn. The educational literature is clear on this. Smaller class sizes help students, and the advantage lasts for years and years. In fact, it may last a lifetime.

Mr. ETHERIDGE. I agree.

Mr. HOLT. If we could get class sizes down to an average of 18 students in kindergarten through third grade, it would benefit not only those teachers and those students during those years, it would benefit those students when they get to high school.

The literature is clear on this, and that is what the President has been talking about in his effort to get 100,000 new teachers, particularly in the early years, so that we can have an average class size that appears to be optimum at about 18 students. That is what teachers tell me. One does not need to be smaller than that, but they should not be larger than that. It is a worthwhile goal.

As the gentleman knows, we are two years into this process now. We have appropriated funds for 30,000 new teachers around the country, but we still have more to do.

This would be in addition to hiring the teachers necessary to just keep up with retirement and attrition. This would be to actually reduce class sizes.

Mr. ETHERIDGE. The gentleman is absolutely correct. When we talk about the number of teachers we are going to need over the next 4 or 5 years that are

retiring and the openings and the challenges this country faces in having teachers in front of those classes who are the best teachers we can get who are certified in their curriculum area and doing the things we need to really raise our standards, that probably is a special order for a whole other day, and I hope we can talk about that because I think it is important as we are looking at 53 million students this year and more coming next year and over the next 10 years we are going to see growth.

□ 2045

It is what we are calling the "baby boom echo." I used to tell folks we are growing so fast in North Carolina, we have low unemployment, a lot of folks moving in. We can always tell because school folks tend to want to project out how many teachers they are going to need, how many schools they are going to need. They can do a pretty good job based on live births; take the births in a community and go 5 years out and they can expect them to be coming to kindergarten. We have a lot of folks moving into our community coming from other places, who have a habit of bringing their children with them. That expands the opportunity, the need for more school buildings.

But I think that we need to provide more support for our teachers, because they do have a very difficult but a critical job that has to be done. Because if we do not have the best people in those classrooms and we do not support them with the resources they need, we do not give them the kind of environment to teach in with the tools to teach our children, we are going to pay a heavy price in years to come.

Mr. Speaker, there is nothing in, my opinion, outside of protecting our borders with our military and our national defense, the second most important thing we have is educating the next generation to be able to inherit the greatest country in the world. Because if we do not do that, we will rue the day that we did not do that.

Mr. HOLT. Mr. Speaker, there is no better investment for the future. The gentleman speaks about the need for more teachers, and the gentleman is right. This is a subject for an entire day's discussion, I think; but let me just point out, as the gentleman knows well, in the next 10 years we will need to hire 2.2 million new teachers just to stay even. Not for smaller class sizes, but just to keep up with the current needs as teachers retire, as teachers, for various reasons, leave the profession. 2.2 million teachers.

We have to make sure that we provide the training. As they enter the profession, that they are provided the mentoring in the early years and that we provide a climate of continuous improvement. That is what we talk about in industry; we should have the same thing in the teaching profession as we have in the medical profession and the legal profession.

Mr. Speaker, I am happy to yield back to the gentleman.

Mr. ETHERIDGE. Mr. Speaker, as the gentleman from New Jersey was speaking, I was thinking as we were going through that what the gentleman is talking about is 2.5 million. That does not include the growth numbers we are going to need for whatever that baby boom echo carries out for years. As we think about education, and the gentleman has been a real leader in this certainly in math and science education, but the gentleman has expanded to all education and I thank him for that, bringing his background to this hall of the people's house.

But we recognize that when we talk about hiring more teachers, even with the 100,000 that we are providing in resources, so that our colleagues understand and those who may be watching this evening, we really are talking about them being hired where they teach. They are not hired in Washington. In my case, when I was in Raleigh as State Superintendent, they were not hired at the State capitals. They were hired in the communities where the people are.

That is why it is important when we talk about categorical money, so that people understand, that is money sent down specifically for teachers. When we send a block grant, that is a money that can be pulled away. That is why we think it is important to send that string for teachers so when they hire an individual, if they hire them to teach, they have a job this year and that money is going to follow next year.

Mr. Speaker, when a person makes a commitment to a career in education, they know they are not going to get rich but they are going to be rich in rewards and responsibilities. My son reminds me that his groceries cost just as much when he gets his paycheck as a teacher as the groceries of the president of the largest bank. So we have to recognize if we are going to keep good teachers in the classroom and continue to attract the quality of people that we need to teach our children, we are going to have to make a decision.

Congress certainly cannot do that. It is a local-level and a State-level decision, but we ought not to be bad mouthing them. We ought to be raising them up and empowering them. And any way we can help, if we can fund 100,000 teachers, certainly we can do that. Can we help with school construction? Yes, we can help with that. Can we help with staff development at the university level? Absolutely, we can do that.

Mr. Speaker, rather than talk about these things that I think are irresponsible, and block grants and vouchers, we ought to be talking about how we can help and hold up and encourage.

Young people respond. I remember something in a book I read by Coach John Wooden of UCLA, one of the great basketball coaches of all time in his book entitled, *They Call Me Coach*. He

had several great lines, only one of which I will share this evening. He said: You know, children need role models, not critics.

Mr. Speaker, I believe teachers need encouragement, not criticism from public officials and certainly not from this body, the body that people around this country and around the world look to for leadership from time to time. We ought to be their greatest cheerleaders saying to them, "We are here to support you and help you. We are going to do what we can to help make your life better." And, yes, we are going to send 100,000 teachers and, yes, we can afford to pay that interest to make sure that we have quality classrooms all across this country for children to go to and teachers to teach in.

People recognize in America education all of the sudden again is one of the most important things we have in every community and help our people. As the gentleman from New Jersey indicated earlier, it certainly will not go all the way to correct all the needs, but it will be a start. It will say it is a high priority with those of us in Washington. And, yes, it will have some impact on that local property tax. Mr. Speaker, I yield back to the gentleman.

Mr. HOLT. Mr. Speaker, I must say that we are fortunate to have the gentleman from North Carolina (Mr. ETHERIDGE) in the House of Representatives keeping us focused on these issues. There is no one in this body who has more experience, more knowledge, and more dedication to the providing of excellent education for all of America's children. I thank the gentleman, not just for tonight's special order, but for what the gentleman does day in and day out to keep the House of Representatives focused on the most important investment that we as a country make: The investment in the education of our children.

Mr. ETHERIDGE. Mr. Speaker, I thank the gentleman from New Jersey (Mr. HOLT), and I would say this evening is a very appropriate time as we do this order and talk about education simply because in some communities right now, school is getting ready to open. I went this morning to one where teachers were coming back and over the next several weeks, schools all across America will be opening up. There are some that are year-round schools that are going to be there all year, but there are those who will open up.

Mr. Speaker, 94 Members in this House have signed this bill to build new schools. The gentleman from New York (Mr. RANGEL) and the gentleman from Connecticut (Mrs. JOHNSON) have signed on this bipartisan bill. It enjoys the support of an awful lot of Members of this House, and if we can get it to the floor, I think it will pass. I trust that the Republican leadership will give us a chance to vote on it.

But when school opens for many places across America in the next few weeks, as I have already said, America

will have more schoolchildren in our classrooms than at any time in the history of our Republic. More than even during the height of the baby boom. I guess one way to say it is that it is getting better; some might say it is getting worse. I happen to say it is getting better, because we have more children in our public schools.

Mr. Speaker, we are in the best financial condition and have the best opportunity in this country that I can remember. As the U.S. Department of Education has documented, this explosive growth will continue for the next decade, and we ought to use this time and use these resources and opportunities we have to invest in our future, and invest in our children.

It is wrong, it is absolutely wrong that we ask children to be in cramped closets, on stages, in leaky buildings, in trailers that we would not put a prisoner in, but we put our children in it and we tell teachers to teach there. They are hot in the summer and they are cold in the winter and that is wrong, absolutely wrong and unacceptable in a country that has the resources that we have.

We ought to be investing. It would not take a lot. It would only take just a few small pennies of what we have here to make a difference all across America. The baby boom echo presents an immediate crisis in many states. My home State happens to be one of those. It is one of the fastest growing States in America.

Mr. Speaker, this Congress must take action to build quality schools for our children. We not only have that responsibility, we have that obligation. As these 53 million-plus students head back to school this fall, they will know that we did not live up to our obligation last year. I trust we will not adjourn in October without meeting that obligation this year. We have that responsibility and that obligation. Too many of these children again this year will be stuck in trailers, shoved in closets, crammed into bathrooms that were converted to classrooms, and gyms and other substandard facilities and in some cases buildings that do not have glass in the windows. That is not acceptable.

Mr. Speaker, how do we tell a child that education is really important when they just rode by a new prison to go to an old rundown school building? That is not right. It is not right in America. It is not acceptable.

Our communities need help to build quality schools where good order and discipline fosters a positive learning environment for our children. Our teachers deserve it also.

Mr. Speaker, let me close this evening finally by saying there is another issue I want to touch on just briefly that my State has worked on, and I have introduced legislation in this Congress and trust that it will pass. That is on character education. We did a survey in my State of 25,000 students, teachers, parents and school

employees and nearly one-third of them indicated that they did not treat their teachers with respect. This was in 1989–90, 10 years ago.

Mr. Speaker, we put in place character education. We started out with ethics education and turned it into character education. It is now part of the curriculum in our State and it is making a difference. It is integrated into the curriculum. It is not separate.

It teaches such thing as trustworthiness. Who can disagree with that? Respect. Who can disagree with that? Responsibility, caring, fairness, citizenship, perseverance, courage and self-discipline. We can all agree with that. Those are American traits. Every child should be taught that. It makes a difference in their life, they are better students as a result of it, and those classrooms and schools across North Carolina that have instituted it, they are seeing discipline problems go down and academics go up. All we need to do is look at what is happening in North Carolina. It is making a difference.

Mr. Speaker, as I close this evening, I would call on my colleagues to step up to the plate, as we say in baseball, and face up to the responsibility that we have an obligation to fund the 100,000 teachers so children can be taught in smaller classes and make sure that we have the classrooms children can learn in and teachers can teach in. So that parents once again will have the kind of respect they need to have because they feel we put the money where we ought to put it and invest it in the future and we ought to be putting the character opportunities to teach.

As the parent of two teachers, with a wife who teaches, and children who have gone through the public school, I will say this evening that our future is in the K-12 public schools in America where 90-plus percent of all of our children go. We cannot turn our backs on the opportunity for all of our children.

#### FEDERAL RESERVE MONETARY POLICY: IS GREENSPAN'S FED THE WORLD CENTRAL BANK?

The SPEAKER pro tempore (Mr. KUYKENDALL). Under the Speaker's announced policy of January 6, 1999, the gentleman from Washington (Mr. METCALF) is recognized for 60 minutes.

Mr. METCALF. Mr. Speaker, some years ago, William McDonough of the Federal Reserve Bank of New York stated, "The most important asset a central bank possesses is public confidence." He went on in that speech to note that, "I am increasingly concerned that in a democracy, a central bank can maintain price stability over the intermediate and long term only when it has public support for necessary policies."

Public confidence here can only mean the confidence of the Members of Congress in our oversight capacity. Most of the American public to this very day have not the least interest in,

awareness of, or knowledge of the Federal Reserve System, our central bank.

□ 2100

But most members feel that Allan Sproul, another former president of the New York Federal Reserve Bank, was quite correct in his letter, still quoted by Fed officials, that Fed independence "does not mean independence from the government but independence within the government. In performing its major task, the administration of monetary policy, the Federal Reserve System is an agency of the Congress set up in a special form to bear the responsibility for that particular task which constitutionally belongs to the Legislative Branch of the government."

Clearly that form of argument appeals to most Members today. The construct is a masterpiece, not just for being true, Congress did abdicate its enumerated powers, but for letting even those of us responsible for the oversight off the hook; the Treasury does not rule the Fed; the White House does not rule the Fed; and this Congress does not fulfill its supervisory responsibility either.

The current Fed Chairman, Alan Greenspan, will soon testify before this House, expressing his independence. As the journal *Central Banking* recently noted regarding the Fed, "It has acquired an air of sanctity, politicians hesitate to bait the Fed for fear of looking stupid." As a result, and still quoting from *Central Banking*, "the Fed's accountability is less than it appears. The Fed is always accountable in the sense that Congress could bring it to heel if it really wanted to."

The Fed has not done too badly in some areas, as the economy demonstrates, most notably where inflation and interest rates today are resting. Whether they remain even close to where they are come a year or two from now may, indeed, be an altogether different story. Mr. Greenspan has been pretty clear about what is now important in Fed policy.

Let me quote from some past testimony. "The Federal Reserve believes that the main contribution it can make to enhancing the long-term health of the United States economy is to promote price stability over time. Our short-run policy adjustments, while necessarily undertaken against the background of the current condition of the U.S. economy, must be consistent with moving towards the long-range goal of price stability."

The reality is that monetary policy can never put the economy exactly where Greenspan might want it to be. He knows full well that supply shocks that drive up prices suddenly, like the two major oil shocks of the 1970s, are always going to be with us. More so than ever as the process of globalization continues to transform the world's economies.

The United States Federal Reserve is leading this global transformation. Some are quietly arguing, over lunch

mostly, that Greenspan is in charge of what he may already believe to be the World Federal Reserve, the World Central Bank.

There is good reason to suggest this. As Robert Pringle noted some time ago in *Central Banking*, "Central banks rather than governments are laying down the rules of the game for the new international financial system. The Fed is in the lead."

Pringle went on to argue, and now I am quoting him again at length, "If the Fed's record during the debt crisis and in exchange rate management is mixed, most observers would give it full marks for the way it dealt with the stock market crash of 1987. It is not clear that the verdict of history will be as favorable. After being prodded into action, some central banks, notably those of Japan and England, went on madly pumping money into the system long after the danger was passed, creating an unsustainable boom and reigniting inflationary pressures."

I am still quoting, "Well, our Fed can hardly be blamed for that. The real problem was that Greenspan's action risked creating the expectation among investors that the Board of Governors would support U.S. stock markets in the future. Clearly, the action was prompted by the need to protect banks from the risks to which they were exposed to firms in the securities markets."

"Equally, this support signaled an extension of the central bank's safety net to an area of the financial system where investors are traditionally expected to bear the risks themselves. It is no accident that after 1987 the bull market really took off. It has never looked back."

I have quoted this section in the article by Robert Pringle that appeared in *Central Banking* because we are hearing much the same fears expressed today, though quietly over lunch, by phone, by rumor, by investors and money managers throughout the United States.

Not too long ago, former Fed Chairman Paul Volker strongly suggested that our current boom is driven almost exclusively by the major international firms in the high-tech industry and the 40 industrials. Clearly, this is due to the fact that these few giant monopolies dominate the world market. Therefore, this boom reflects less what is happening here in America than what is going on in the world to these few monopolies' financial benefits.

I am not entirely complaining, mind you. Where these few giant firms are concerned, some American workers do benefit. But more foreign workers benefit than American; more investors and owners benefit than workers; more very wealthy individuals benefit than the middle class bedrock.

My problem is that Greenspan's Fed seems to believe money does not matter. That we can create vast sums of cash and pump it into the financial markets at will, manipulate the adjusted monetary base to even greater