

past; now we are doing it for steel. So who should be next in line? Virtually every American industry competes with at least some imports.

What happened to the wonderful harmony that the WTO was supposed to bring to the global market? The administration has been roundly criticized since the steel decision was announced last week, especially by our WTO "partners." The European Union is preparing to impose retaliatory sanctions to protect its own steel industry. EU Trade Commissioner Pascal Lamy has accused the U.S. of setting the stage for a global trade war; and several other steel producing nations, such as Japan and Russia, also have vowed to fight the tariffs. Even British Prime Minister Tony Blair, who has been a tremendous supporter of the President since September 11, recently stated that the new American steel tariffs were totally unjustified.

The WTO was supposed to prevent all this squabbling, was it not? Those of us who opposed U.S. membership in the WTO were scolded as being out of touch, unwilling to see the promise of a new global prosperity. What we are getting instead is increased hostility from our trading partners and threats of economic sanctions from our WTO masters. This is what happens when we let government-managed trade schemes pick winners and losers in the global trading game. The truly deplorable thing about all this is that the WTO is touted as promoting free trade.

Mr. Speaker, it is always amazing to me that Washington gives so much lip service to free trade while never adhering to true free trade principles. Free trade really means freedom, the freedom to buy and sell goods and services free from government interference. Time and time again, history proves that tariffs do not work. Even some modern Keynesian economists have grudgingly begun to admit that free markets allocate resources better than centralized planning. Yet we cling to the idea that government needs to manage trade when it really needs to get out of the way and let the marketplace determine the cost of goods.

I sincerely hope that the administration's position on steel does not signal a willingness to resort to protectionism whenever special interests make demands in the future.

The SPEAKER pro tempore (Mr. SHUSTER). Under a previous order of the House, the gentlewoman from Ohio (Ms. KAPTUR) is recognized for 5 minutes.

(Ms. KAPTUR addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Virginia (Mrs. JO ANN DAVIS) is recognized for 5 minutes.

(Mrs. JO ANN DAVIS of Virginia addressed the House. Her remarks will

appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from the District of Columbia (Ms. NORTON) is recognized for 5 minutes.

(Ms. NORTON addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland (Mr. CUMMINGS) is recognized for 5 minutes.

(Mr. CUMMINGS addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. MEEKS) is recognized for 5 minutes.

(Mr. MEEKS of New York addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. LIPINSKI) is recognized for 5 minutes.

(Mr. LIPINSKI addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Georgia (Ms. MCKINNEY) is recognized for 5 minutes.

(Ms. MCKINNEY addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

#### THE DEBT CEILING

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, the gentleman from Texas (Mr. STENHOLM) is recognized for 60 minutes as the designee of the minority leader.

Mr. STENHOLM. Mr. Speaker, today I want to take this time to continue a discussion that we, the so-called Blue Dog Democrats, the Blue Dog Coalition, have been carrying on for the last 2 or 3 weeks talking about the urgency of this body in dealing with the debt ceiling and dealing with our economic game plan that has now pushed us once again into a position of having to borrow on the Social Security trust fund for the next 10 years.

Just a little bit of a reminder or a refresher on everyone's mind tonight. It was just 1 year ago that we were on this floor advocating a budget, an economic game plan for this country that was different from what the majority and the administration wished. The thing that we said was that this \$5.6 trillion was projected surpluses, and we emphasized projected. These were guesstimates. Most everyone agrees we

cannot predict tomorrow, much less 10 years. But we lost. What we suggested was let us take half of that projected surplus and pay down our national debt. We were told we were in danger of paying it down too fast. That was somewhat laughable to most of us, the idea that you could pay down debt too fast, when you owed \$5.6 trillion.

When we have an unfunded liability in the Social Security trust fund of \$22 trillion, we also proposed in our budget plan that the first thing that we should do as a body is fix Social Security and Medicare; that we should deal with those two problems first before we begin making any other decisions as to how much money we spend. Again, we lost. We have not seriously addressed Social Security as of this moment, and we will not do so until at least next year.

But now we find, again contrary to what we were told a little over 1 year ago, that we were not going to need to increase our debt ceiling for at least 7 more years; that in December, the Secretary of the Treasury, Mr. O'Neill, wrote and said we must increase our debt ceiling and do it immediately by \$750 billion. Now, where are we tonight? As of the close of business Friday, March 8, the debt subject to limit stood at \$5.924 trillion, leaving about \$26 billion of room left in our debt ceiling.

Now, what does this mean to the average layperson? It is kind of like a student going to their parents with a \$6,000 credit card bill. Of course the parents will pay, because they do not want the kids rating to be damaged and probably their own, because they are responsible for their child; but they will work out an arrangement with that child that includes reducing his allowance, getting a part-time job, making promises for less partying, and on and on. That is what concerns us Blue Dogs and why we are here again tonight. We are being asked to increase the debt ceiling by \$750 billion without a plan, without a plan to deal with these deficits that now have, in the President's budget, a projected raiding of the Social Security trust fund for the next 10 years.

We do not believe that is an acceptable game plan. We are prepared to support our President, and we are prepared to work with our friends on the other side of the aisle on a new plan. But so far nothing has come forward. One would think that the budget that we are going to be having on the floor next week would address this. Instead, we are told that we are not even going to have a budget that is in balance anytime in the future.

We are being told now that this budget that is going to be presented to us will be scored by OMB. The last time we had a fight on the debt ceiling, one of the things that we agreed to was that we would use CBO. In fact, 1995, the last time we had this difference of

opinion on how we raise the debt ceiling, 48 Democrats joined with the Republican majority to insist that President Clinton submit a plan that was balanced under CBO numbers.

Now, I am saying to the leadership of this House, and we again would welcome someone from the other side to come and join in this discussion tonight, we hope that the 148 Republicans who voted for that legislation in 1995, who are still in the House, will stay consistent and insist that before we raise the debt ceiling that we have a plan that gets us out of it. Is that unreasonable? Does that not make sense? If so, why are we now talking about doing the same thing that Secretary Rubin did in 1995 that had the majority threatening to impeach him? Now we are talking about perhaps doing the same thing, and now it is okay.

Again, all we are saying tonight is increasing the debt ceiling by \$750 billion to borrow money for what? Now, let me point out very clearly, we support the President's request for additional funding for defense and are perfectly willing to include that in any debt ceiling increase. If the President proposes to borrow the money rather than to pay for it, we are behind him, and that includes the domestic defense as well as the foreign. That is not an item in dispute.

What is in dispute tonight is why should we increase the debt ceiling \$750 billion without putting a plan in place to deal with it, just like the father and son or father and daughter would certainly do if it was in their household budget? I find most American people agree with that rationale. We are puzzled why we are not having that bill on the floor next week.

Mr. Speaker, I ask unanimous consent that I be allowed to yield the balance of my time to the gentleman from Florida (Mr. BOYD), and that he be allowed to control that time.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

□ 1830

Mr. BOYD. Mr. Speaker, I thank the gentleman from Texas for filling in.

The gentleman from Texas has been a leader in this House for, I guess, 23, 24 years now on this issue of fiscal responsibility. One thing we know about him, his message has always been consistent, that we ought to be willing to pay for those programs that we as a nation want to have, have the government fund, and we ought not to be in a position of deficit spending and asking our children to pay for those programs that we have.

I want to thank the gentleman from Texas.

Mr. Speaker, I want to call on another leader, the gentleman from Texas (Mr. SANDLIN).

Mr. SANDLIN. I thank the gentleman from Florida for yielding. Let us stand up for fiscal responsibility in

this country and conservative budgeting and conservative spending.

Last year we were worried about paying off the debt too quickly. That seems long ago. What does it say now that we are looking at raising the debt limit in this country?

The administration's request to raise the debt limit by \$750 billion confirms the warnings of the Blue Dogs from last year, that it was dangerous to make long-term commitments to tax cuts or new spending programs based on shaky projections of surpluses over a 10-year period. It is impossible to make those 10-year projections in your home, in your business, and it is certainly impossible to make them in this country.

Last year, the Blue Dogs proposed taking the on-budget surplus and immediately paying one-half of that available fund on the debt of this country. To pay down the debt, we proposed taking one-quarter of that surplus and making it available for tax cuts for working families here in America, and taking one-quarter of that surplus and making that available for investment in areas such as agriculture, defense and the education of our children.

Instead, we enacted a budget consuming 100 percent of the projected surplus, not the surplus but the projected surplus, we used risky and too-rosy projections, and we left absolutely no margin for error in our projections. We have things such as national emergencies, natural disasters, wars. We made no provisions for those changes. So we put ourselves on a course for budget deficits once the circumstances changed and our projected surpluses disappeared for a number of reasons.

The vote to raise the debt in part is an acknowledgment that we have broken our pledge on Social Security, and the Social Security lockbox is now wide open; and we are going to leave it open to raid it time and time again unless we enact fiscally responsible budgeting principles in this country.

The war and the recession represent a part, but only a small part, of the reason the debt limit needs to be increased. We are willing to authorize debt to cover the cost of war. Our fighting men and fighting women across the world need every advantage, every piece of equipment, every bit of technology, every bit of training that is necessary to root out terrorism. But we are not willing to allow the government to continue on deficits as far as the eye can see without a budget, without a plan, without any forethought.

The last two increases in the debt limit came when Congress and the President were negotiating on a bipartisan basis to balance the budget. Many of us were here in 1997, and that led to the balanced budget agreement of 1997, a strong bipartisan effort. But presently, instead of working with the Congress to put the budget back on track, the administration's request for an increase in the debt limit is in-

cluded in a budget which projects deficits financed by borrowing from the Social Security surplus for the next decade and beyond.

It avoids making difficult choices. It extends and expands existing tax cuts. It increases the long-term obligations of this country. And it results in more borrowing, just what we do not need.

Blue Dogs do not want to see the country in default on the debt, but we do not want to give out just a blank check, a blank check with no plan, with no budget, with no forethought. An increase in the debt limit must be accompanied by a plan to put our fiscal house in order.

What is wrong with asking for a plan? What is wrong with asking for a budget before we make these decisions?

In 1997, a Member from the other side of the aisle said, "We said from the beginning of this Congress that we want to negotiate with the President, but we cannot negotiate with a President who does not want to balance the budget. We do not want to negotiate over whether to balance the budget or not; we want him to submit a budget that balances by CBO what he called for. We will negotiate with him in the parameters within that balanced budget. But if the President cannot submit one, how do we negotiate apples with oranges? You know, the saying goes, 'If at first you don't succeed, try, try again.'"

We agree with those statements. We hope that the current President agrees with those statements and that we can hold the President and the administration to the same standard. It is certainly reasonable. We want to work with the administration.

We propose that in the interim, the Congress pass a short-term debt limit increase equal to an amount that the President tells us is needed to fight the war. We want to listen to the President and support him in his efforts in fighting terrorism and speak with one voice when we leave the shores of the United States of America. So we want to pass short-term limits, that is, in an amount that he tells us is needed; not that it is extravagant, but needed. We want to continue the lawful government obligations and functions of the United States Government.

Any additional debt limit, other than those two things, fighting the war and our obligations, must be passed and would be contingent upon successful completion of a comprehensive and complete budget plan. That is fiscal soundness. That is fiscal responsibility. That is putting our house in order. We need a budget.

A long-term budget plan should reestablish a glide path for a balanced unified budget. We need to put everything on the table to look at when we are talking about the finances of this country. We have to control spending and include that in our long-term budget plan. And we have to ensure that we do not continue to be the parents borrowing from our own children.

This will not be done overnight and there are legitimate arguments about the fact that we could reach a critical point before there is adequate time to develop a plan and develop a budget and approve a plan which meets the criteria. This is why we have proposed, as Blue Dogs, the short-term debt limit increase while the planning is going on.

Certainly, Blue Dogs do not want to threaten the United States' credibility or expose United States taxpayers to risks associated with defaulting on the debt. We do not believe in brinksmanship. We do not believe in political posturing. We believe in fiscal responsibility. We do not want the government to continue to function and meet its lawful obligations in a risky manner. And we absolutely refuse in every case to jeopardize our troops or our homeland security or undermine the war effort in any way.

However, we do not want to simply write a \$750 billion blank check absent concrete actions and concrete plans to restore discipline and return to fiscally responsible policies in this country.

If we want to address critical issues such as Social Security, prescription drugs, veterans' benefits for those that fought to defend the country, a true and meaningful Patients' Bill of Rights, and education, we have to have a firm financial foundation in this country. We need fiscal responsibility.

We are willing to work on a short-term debt limit increase. We are willing to do anything we can to encourage the economy. All we are saying is, let us please use proper planning. Let us enact a budget just like every home and business in America does. Let us get this country back on a path of fiscal responsibility.

Mr. BOYD. I want to thank the gentleman from Texas for his work on behalf of this country.

I would like now to recognize the gentleman from Illinois (Mr. PHELPS), who represents a very large rural district. I think his people back home certainly understand about fiscal responsibility.

Mr. PHELPS. Mr. Speaker, I thank the gentleman from Florida and my fellow Blue Dogs for their comments and for giving me this opportunity to speak out on such an important issue. It is good to know that Florida and Illinois can kind of balance out the Texans that have come before us with their input, which is so valuable.

All of us here this evening have certain concerns with increasing the debt limit. Of course we do, because we are a group of Democrats who focus on being fiscally responsible. It is obvious that questions are going to be raised by Treasury Secretary O'Neill's request that Congress increase the debt limit by \$750 billion, especially since this request comes 7 years earlier than predicted when the budget was submitted last year. As a fiscal conservative, this increase request makes me wonder not only about the current fiscal condition or state of our Nation, but what this

means for the future. What does it mean for the future?

As a former teacher, a father, and a grandfather, I have always tried my best to do what is right for future generations. We do not want our mistakes to leave our children and our grandchildren in a mess that they cannot clean up. I do not want my grandson, Nolan, who just turned 4, to wonder what his grandfather was doing when he served in Congress, when all this mess was created, or could have been addressed.

The administration says the publicly held debt would begin to gradually decline again in 2005. Even if the debt does start to decline and the government does their part in beginning to pay it down, we still need to remember the impact this is having on our system of Social Security. This is where our children are going to be impacted the most.

From my understanding, the total debt of our Nation is going to continue to increase. That is right. Even though the administration suggests that the publicly held debt will begin to decline, the fact is the total debt will continue to rise due to the fact that we have not kept the commitment to save the Social Security trust fund surplus.

The President's proposed budget does nothing to solve the problem with the declining Social Security trust fund. In fact, the proposed budget calls for tapping the Social Security trust fund for other government programs every year over the next 10 years for a total of \$1.5 trillion.

In other words, over the next 10 years, the Social Security surplus will not be used for paying down the national debt, which would actually strengthen Social Security's long-term solvency. Not one Member of Congress who ran for election ever varied from that focus. They promised that that is what we should do. Every campaign speech, let me remind you, every one of you, as well as myself, gave our honorable word that we would work toward this end. Now we abandon it.

It is not a secret that our Nation's Social Security system is in trouble. It is up to us to do what we can do to look at the future and try to save the Social Security trust fund.

I completely understand and support the need for spending what is necessary to win the war on terrorism and ensure the protection of my fellow Americans here at home. We must do that. We will. And we are doing that. We are united and we will stand united on that front. However, we need to work together on developing a plan that will fight the war on terrorism and will also protect the Social Security trust fund for the benefit of future generations. We really do need to start thinking about our children's future.

We can do both. We can defeat terrorism; we can be prepared for homeland security. But the security that is most important to those who have invested their dollars for what might

come in the near future, when they do not expect to hear these kind of reports, when we can, and we should, defeat any kind of threat to our Social Security system. That is where we need to come down today.

I stand with my Blue Dog friends in trying to raise the alarm for the administration to consider the budget in these terms.

Mr. BOYD. I want to thank my friend from Illinois for his thoughtful work and his leadership in our group, the Blue Dog Democrats.

Next, I want to call on the gentleman from Texas (Mr. TURNER) who serves in our group, the Blue Dog Democrats, as the cochair for policy.

Mr. TURNER. I thank the gentleman from Florida for yielding. I thank him for his leadership tonight on the floor.

It is good to see a good group of Blue Dog Democrats here speaking out for fiscal responsibility. I know that each of us, in our own way, has fought long and hard to try to be sure that we have a balanced budget here in Washington. It only makes sense that the Federal Government manage its financial affairs the same way that we all expect our own households to be run.

□ 1845 That is, if we have money coming in that we can spend or invest or save, we make those choices; but in the end, we make sure we do not spend more than our income.

Washington, as we all know, spent more money than it had coming in for 30 years; and finally, when several of us here on the floor were first-term Members of this Congress, we cast the most significant vote I think this Congress has cast in many years, and that is we passed the Balanced Budget Act of 1997. Through that action, we had 3 years of surpluses in the Federal budget.

Now, with the President's new budget submitted to the Congress, we are back into deficit spending, back into spending more money than we take in every year.

Some people may say, well, what is wrong with deficit spending? Deficit spending is bad for several reasons. It is bad because it passes debt that we are creating by deficit spending on to our children. It seems to me that if we are going to make wise decisions and if we are going to have fiscal responsibility in Washington, we should not be spending money and incurring debt that our children are going to have to pay for some day. But that is where we are once again here in this Nation's Capital.

Another reason that we should not engage in deficit spending is because it simply creates larger debt, and larger debt means we have greater interest to pay every year. What a waste, to be consuming so much of our Federal budget every year just paying interest.

A lot of people do not realize that the interest alone on the Federal debt runs almost \$1 billion every day. I did not misstate that: \$1 billion every day, just

to cover the interest on our national debt, which is approaching \$6 trillion.

What a waste in resources. We could fund the President's requested budget increase for defense many times over if we were not paying \$1 billion a day in interest on our Federal debt.

Another reason it is wrong to deficit spend is because when you are deficit spending, you are raiding the Social Security trust fund. If any corporation in America were to dip into the employees' retirement trust fund to cover the business losses of that corporation, those business executives would be prosecuted. They would be indicted and sent to prison.

In Washington, we seem to be able to get by raiding the American people's retirement fund, Social Security. When we are deficit spending, we are taking Social Security payroll taxes and we are using it, not for Social Security, but we are using it to run the rest of the government, and that is wrong. That breaks a promise, a covenant, that this government has with the American people to protect Social Security for this generation and for generations to come.

Finally, deficit spending is wrong because when we increase the national debt, which happens every time we run an annual deficit in the Federal budget, we undermine the public's faith and confidence in the economy of the United States.

How big a debt can the United States run before there is some crisis of international proportions? I do not have the answer to that, but I know that \$6 trillion in debt is an awful lot of debt to be passing on to our children and grandchildren; and I know paying \$1 billion a day in interest is a waste of Federal taxpayer dollars, and I know that when the national debt increases, it means that the government is borrowing more and more of the available credit out there in the economy; and it has the effect of pushing up interest rates for all of us. When interest rates go up, it costs the American family more to buy a new car on credit, to buy a home and finance it through a home mortgage. It costs more to borrow money to send your children to college. It costs more money when you charge to your credit card.

Lower interest rates are good for the American economy, and one way to get lower interest rates in the economy is to be sure that the government, the Federal Government, is not consuming a larger and larger share of the available credit in our economy.

For all of those reasons, deficit spending is wrong. Common sense tells us that the Federal Government ought to be managed like our own households, our own businesses; and if we do not do that, we are doing a disservice to the American people, and we are encumbering our children with a debt that they may never be able to get out from under.

We believe as Blue Dog Democrats that we need to support the President

in fighting this war. We need to commit whatever resources are necessary to win the war on terrorism. But the only people that are having to sacrifice today in that war are those young men and women in uniform who are defending our country tonight. The American people need to be ready to sacrifice as well, and that means that we need to pay the bills to fight that war, and not pass those bills on to our children.

I again thank the gentleman from Florida (Mr. BOYD) for his leadership tonight, and I am proud to join with my Blue Dog colleagues in standing up for fiscal responsibility.

Mr. BOYD. Mr. Speaker, I want to thank the gentleman from Texas, particularly for his leadership in the Blue Dog Democrats as the policy cochair. It is his responsibility to work with our members to develop policy. I am sure we will be seeing more from him as this budget discussion unfolds.

Mr. Speaker, next I want to yield to the gentleman from New York (Mr. ISRAEL), one of our newest members, one of our Blue Puppies.

Mr. ISRAEL. Mr. Speaker, I thank the gentleman from Florida for giving me the honor of being the only member of the New York congressional delegation to have joined the congressional Blue Dogs. I am proud of the work we do and the agenda we advance for fiscal responsibility and budget responsibility.

Mr. Speaker, like any household and business in America, when the government's revenues do not match its expenses, it faces some choices. It can cut spending, it can increase revenues, it can borrow.

The administration is telling the American people we do not have enough money to meet our expenses. We need to spend \$1 billion a month in Afghanistan. That is \$1 billion a month we must spend. The administration is making the argument, an argument I agree with, that we need to spend more on our national security. The administration is making an argument that I agree with that we need to spend more on our homeland security; and the administration says in order to pay for these critical necessities, we cannot raid Social Security, we cannot increase taxes, so we have to lift the debt ceiling in order to meet those needs.

But there is another way, and it is a much fairer way. Rather than finding revenues by borrowing money from our children, let me suggest exactly where the administration can find those revenues to meet those expenses right now at this very moment: in Bermuda, in the Island of Bermuda, where the New York Times reports that many American corporations, big businesses, are paying nominal fees to register their corporations all to avoid paying their fair share of corporate taxes here in the United States, to avoid paying their fair share of the war against terrorism, to avoid paying their fair share for senior citizens who are being kicked out of their Medicare HMOs.

They are putting profit ahead of patriotism.

Let me share a quote from the New York Times articles about these big businesses that are fleeing for Bermuda in order to escape their fair share of corporate taxes. The New York Times said: "Becoming a company in Bermuda is a paper transaction, as easy as securing a mail drop there and paying some fees while keeping the working headquarters back in the United States. Bermuda is charging Ingersoll-Rand just \$27,653 a year for a move that allows the company to avoid at least \$40 million annually in American corporate taxes."

No wonder we are being asked to increase the debt ceiling. There are plenty of other companies as well.

The New York Times went on to say: "There is no official estimate of how much the Bermuda moves are costing the government in tax revenues. The Bush administration is not trying to come up with one."

Now, according to the Wall Street Journal of March 1, finally the Treasury Department has agreed to do a study. But we should not have had to bring them in kicking and screaming all the way.

This is common sense. They want us to raise the debt ceiling, to borrow from our children; but they were hesitant to find out how much this corporate greed was costing the American taxpayer today.

Mr. Speaker, I voted to deliver tax relief to the families I represent. I voted to repeal the marriage penalty. I voted to repeal the death tax. I voted to reduce marginal rates across the board for working families. I was one of only a handful of Democrats in this Chamber to support the administration's economic stimulus measures, because working families and small businesses deserve that relief.

But this spring, over the next few weeks, those same working families and those same small businesses will sit around their dining room tables or meet with their local accountants and struggle over their income taxes, and struggle over paying their fair share to support our military and to save Social Security and to help senior citizens who have been kicked out of the Medicare HMOs. And the people that I represent, in Babylon and Huntington and Islip and Smithtown, they do not have the option of registering themselves in Bermuda in order to avoid their fair share of income taxes. That is not a choice for them. They are simply told, pay up, do your duty, support our troops.

Meanwhile, the biggest businesses in America are shifting the tax burden to them; and even worse, Mr. Speaker, the biggest businesses in America, the irresponsible ones who flee for that tax shelter in Bermuda, are shifting the burden to our children.

Well, Mr. Speaker, I am pleased that the Treasury Department has changed its mind; and despite its earlier reticence, it is going to study the loss of

revenues as a result of this Bermuda tax shelter. But a study on a shelf cannot replace real action by this body. We need to stop companies who wrap themselves in the American flag to sell their products and then strangle our budgets by registering themselves abroad, who escape their fair share.

As the ranking member of the Committee on Ways and Means said, "Supporting America is more than about waiving the flag and saluting. It is about sharing the sacrifice."

That is true of soldiers, citizens; and it should be true of big companies too. Raise the debt ceiling? How about making sure that every big company in America does what every working family in America does, pay their fair share. Maybe then we will not have to mortgage the future of our children. All we ask is fair play, all we ask is a fair share, and all we ask is a shared sacrifice at a time of war.

Mr. BOYD. Mr. Speaker, I thank the gentleman from New York for his thoughtful remarks.

Mr. Speaker, at this time I yield to the gentleman from Mississippi (Mr. TAYLOR), one of the leaders in this House on defense-military issues. He has a very unique perspective on this whole notion of fiscal responsibility and borrowing from the trust funds that belong to the American people.

Mr. TAYLOR of Mississippi. Mr. Speaker, I want to thank the gentleman from Florida and those of you who are watching back home for the opportunity to talk about the President's desire to raise the debt limit.

One of the most moving books I ever read was called "The Winds of War." It is a novel, but it talks about the events leading up to World War II, the American participation in it.

One of the many things that is going on in this book is a family member of the participants who is in a concentration camp, and he is thinking to himself, how can it be that the Americans do not know that this is going on? We have smuggled information to America showing the Jews and Gypsies and other people that the Nazi regime wanted to get rid of, that these horrible things are happening, and somehow the Americans are not responding.

The author called it "the will not to believe," and I guess, to a certain extent, it hits all of us, whether it is finding out that a family member has been diagnosed with a terminal illness, or maybe your favorite football team lost to a team you did not think they could possibly lose to.

I bring these numbers to the floor tonight that have been updated as of the end of this month to show the American people what I keep in my congressional office. It is a constant reminder sitting right by my desk as folks come to me and say can you help us with this tax break or can you help us with this additional spending. It is a constant reminder that I point to as different constituents come to visit me of just how far in debt our Nation is, how much

farther in debt we have gotten in the past 12 months, because it really is within all of us.

I see it in my town meetings, when I walk the Wal-Marts and the KMarts and the hardware stores in my district, when I visit with shrimpers, or people at the other end of the economic scale.

It is just hard to believe that our Nation is now \$6 trillion in debt. In fact, last year at this very time the President of the United States and a lot of folks in the media were running around saying Washington is awash in money. There are surpluses as far as the eye can see.

Well, apparently the people who said that, both inside and outside of government, never took the time to look at this, because one year ago right now, our Nation was \$5,735,859,380,573 in debt.

Unlike the previous speaker, I voted against most of those proposals that came up last year, because none of them paid for themselves and almost all of them would add to the debt. That was my gut conclusion. It turns out my gut conclusion was better than whatever economists the President and some others were calling on, because the amount of debt increase in just one year, in the past 12 months, is \$267,593,636,009.87.

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Now, most of this is because of the tax breaks that were passed last year by Congress. Some of it is because of the war in Afghanistan, but that is \$1 billion a month. Mr. Speaker, \$1 billion a month would be, since September about 6, \$6 billion of this. The rest of it was increases in spending in the President's budget.

And let us remember, the President got his budget. At the time it was proposed, Republicans controlled the House, Republicans controlled the other body; he got his budget. So please do not come back and tell this Member that, well, the reason we have this big debt is because you guys spent money that I did not want to spend.

Mr. President, you got your budget. You got your tax breaks, you got your budget, and that is what you have added to the debt with your numbers.

What really troubles me about that is, I am the father of three kids and they are going to get stuck with that bill and until then, our Nation is going to squander more money every day on interest on the national debt than we spend pursuing the war in Afghanistan. It costs us about \$1 billion a month to pursue the war in Afghanistan. It costs us \$1 billion a day to pay interest on that debt and much of it is a direct result of the budget from last year. That is the President's part.

Now, what is particularly troubling about this, if I were to bring these numbers up from the 1st of January 1980, that would be a "1" and most of these would be zeroes. The first of January, 1980, our Nation was \$1 trillion in debt. Now, that is a heck of a lot of

money for a guy from Mississippi, but that is \$5 trillion less than it is now. One of the reasons this has been allowed is that on a regular basis, Congress has come to this floor, different Presidents, both Democrats and Republicans, and have said, I need to borrow just a little bit more, I need a little temporary fix to get this monkey off of my back. Those are the temporary fixes, the accumulated problem that that has caused.

Mr. President, I am not going to vote to raise the debt limit.

I also want to point out that one of the reported stories that is coming from this is that your Treasury chairman is considering taking that money from the trust funds. Let me remind the American people that for all of the rhetoric, Democrats and Republicans, people inside the media and outside of the media, with this so-called lockbox for Social Security, and that is a line item on your taxes, that is taken out of your taxes with the promise that it is going to be put aside for your Social Security benefits, there is no lockbox. What there is, is somewhere an IOU that says that the United States of America owes the Social Security trust fund \$1.23 trillion. There is nothing there.

If you look on your pay stub, you also pay Medicare taxes. Again, that is supposed to be set aside for your Medicare benefits when you reach the proper age to receive them. It is supposed to be in a lockbox. The truth of the matter is, if you were to open up that lockbox, you will find an IOU from the United States for \$256.3 billion.

Then there is the Civil Servants Retirement Fund. Civil servants, contrary to popular belief, do pay into their own retirement. That money is supposed to be set aside to do nothing but pay for their benefits when they retire. If you found that box and opened it up, you would find an IOU for \$532 billion.

Now, the reason I mention that one in particular is that the Treasury Secretary now says, Well, maybe we do not have to raise the debt limit if we just steal it from the Civil Service Retirement System. It is just temporary.

The problem, Mr. O'Neill, with that is, you have already taken \$500 billion out of that account. Where do you stop taking it? At what point does the President come to this Congress with a budget that is balanced? At what time does this Congress pass a balanced budget?

About 6 years ago we passed a balanced budget amendment to the Constitution. It went to the other body and failed by one vote. You would think a body that on a weekly basis is finding new ways to spend money and driving up the debt would try at least one more time in the past 6 years to pass a balanced budget amendment to the Constitution.

I have recently signed on to the recent attempt by the gentleman from Arizona (Mr. BERRY) to do that, and I

hope that we will have a speedy vote on this, Mr. Speaker, because I think this body should pass it. I think that the American people should know that that is how much we are in debt, that we are squandering over \$1 billion a day on interest on that debt, and until then, we are continuing to rob from their Social Security trust fund, their Medicare trust fund, the Civil Service Retirement trust fund and the Military Retirees' trust fund.

Mr. Speaker, that is why I am going to vote against raising the debt limit.

The other thing I am going to ask the American people to do is check my facts. Last year when all of these people were talking about the big surpluses, did anyone ever tell you to check the facts? I would encourage, and I hope the camera can get this, because this is where the Treasury reports on a monthly basis just how broke our Nation is:

<http://www.publicdebt.treas.gov>.

Look it up for yourselves. I have been encouraging the American people to do this for the past year and not one of them has ever written me back and said, Taylor, you are wrong, because I am right on this one. I am not right on everything, but I am sure as heck right on this one.

So I want to thank the gentleman for the opportunity to speak on this. If my colleagues would like a copy of this for their offices, when folks come to see you and tell you that we have all kinds of money and we have a project that we just cannot live without, maybe my colleagues here this evening can say, maybe we can live without it for just a little while until we find the money to pay for it.

Mr. Speaker, I thank the gentleman from Florida (Mr. BOYD) for this opportunity.

Mr. BOYD. Mr. Speaker, I want to thank the gentleman from Mississippi. He always brings a very unique perspective, and he always brings the facts. As he says, they do not lie; they really tell the story.

I want to recognize at this time, Mr. Speaker, and yield to the gentleman from Texas (Mr. STENHOLM).

Mr. STENHOLM. Mr. Speaker, I thank the gentleman for yielding. I wish my colleague from Mississippi did not have to leave the floor, but I wanted to point out that the thee of us, the gentleman from Mississippi (Mr. TAYLOR), the gentleman from Florida (Mr. BOYD), and I were the three votes against the stimulus package last week. The reason we voted no is that it was not paid for.

The gentleman from Mississippi (Mr. TAYLOR) has been one of the most consistent Members in this body over the last couple of years in doing what he showed us again tonight, and that is recognizing that our debt is going up; and this is a debt that our children and grandchildren are going to have to pay, and it should not be unreasonable to expect this body to deal with it.

All we asked for in that bill last week, the three of us, and, boy, I have

been ridiculed politically and otherwise as being one of the three, but I voted that way for a very, very important reason, and that is consistency in saying that we should now, the budget that we will debate next week, we should put ourselves back on track in balancing our Federal Government.

Now, we got off track and, yes, part of it was the war, no question about that. No one foresaw 9-11-01. One of the reasons the Blue Dogs last year said, Let us set aside that projected surplus, was because something might happen unforeseen. We were not prophetic. We just said it was good, prudent business to set aside rather than expend it, whether it be in tax cuts or in spending.

Mr. Speaker, it is interesting now, and I am puzzled by this: In 1995, one of our colleagues, the gentleman from Ohio (Mr. PORTMAN), in talking about, at that time, a different President in the White House, he said, It is not okay to play games with the \$30 billion in payroll taxes that workers pay each month that retirees rely on to finance their benefit checks.

The gentleman from Georgia (Mr. KINGSTON) stood over here day after day after day, and on this particular day he said, Mr. Speaker, it seems unbelievable to me that we are sitting here debating whether the President can tap into the Social Security trust fund and the Civil Service Retirement fund. I find that it is almost unbelievable that the Democratic Party, who has been using the senior citizens all over America as their own cheap pawn, as their shield, to ram or resist any kind of legislation that comes up, now they want to take the money out of the senior citizens' trust fund.

That is exactly what is being contemplated by the majority party in this body as of tonight, doing what they condemned Secretary Rubin for doing. If it was wrong then, it is wrong now.

Some of us are willing to do the right thing. The right thing would be to increase the debt ceiling and do it clean. That is the right thing to do. But just as was argued by our friends on the other side in 1995, it is inconceivable that anyone would vote to increase the debt ceiling without first putting in a plan that will get us back into balance and take us out of the Social Security trust fund. That is all we are asking, and we are willing to work in a bipartisan way to accomplish that goal.

We do not want to play games. It is too important. The creditworthiness of the United States of America is on the line. It is too important to play games. But play games, we have in the past, and play games, it seems like the leadership of this House are willing to do again.

They condemned us, and I was one of the 48 that stood up with you and 148 Republicans still in the House and voted to increase the debt ceiling. I was there. Where are you tonight? Where will you be next week? Why are

you insisting that now, in spite of the fact that you argued, even to the point of bringing this government down, which we did for weeks, shutting down the Washington Monument, doing all of the things that you felt were so important, because you felt like the President, President Clinton, would not, did not, would refuse to bring a balanced budget plan to you.

All we are saying tonight is, we are ready to join with you, but do not change the rules. The rules are that the Congressional Budget Office is the official scorer. Do not change the rules and say OMB, and reduce the deficit and the debt by \$40 million because OMB scores it differently. We agreed to play by those rules. Let us stay consistent.

All we are asking again is, put up a plan. One unnamed staffer was quoted this last week on the other side of the aisle and was asked, are you going to present a balanced budget? Well, we are going to say we do, but it is really not. That was an honest answer.

We are so close to doing good things for this country. We were there. We squandered it. Yes, the war was unpredictable; that is a part of it. The recession now, we are being told, was not nearly as deep as anyone thought, and I hope, just like I stood in this well 1 year ago and said, when we argued against the economic game plan that was put in place and we voted that way and we sincerely believed it was wrong, and we said at that time, I said, I hope I am wrong and I hope I get to eat the biggest plate of crow in this town. And I know that had I been wrong, I would have been served up, and I should have been.

But tonight we simply come back before this body with a message to our leadership: We think balancing our Federal budget, we think pay-go, paying for those new expenditures that we need, makes good economic sense; and we think that every bill that comes before this House, new and over and above that which we passed in the budget resolution that we are now operating under for this year, that we ought to give serious consideration to paying for them or voting them down. That is what the three of us did last week. Well, obviously three do not vote down anything.

But here I have a real sincere, puzzling question. If we voted last week and the President signed the stimulus package that CBO has scored to increase our debt by \$42 billion over 10 years and \$92 billion over the next 3, and the reason for the difference is, the tax provisions make money in the out-years, projected; if we did that last week and it was signed into law, how can you possibly leave that out of next week's budget deliberations?

How can you possibly say that that law that we passed that is going into effect that will increase our debt by \$42 billion over the next 10 years, and the 5-year budget will increase our debt by \$100 billion, how can you possibly come



to this floor and just ignore it? I mean, you talk about the Enronization of the budget process. This is it. Shifting offshore. Taking it off budget. Hiding it.

Well, we will be back next week to talk about that. But tonight, I appreciate the gentleman yielding to me. The gentleman is a true leader of fiscal responsibility in this body, and it is a pleasure for me to join with the gentleman day after day in proposing what we believe are some of the better solutions.

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When one is in the minority, one loses. But every now and then, as we showed on the farm bill, if we work with the other side, we find that you can get bipartisanship. It was not by accident that we got 290 votes for the farm bill. That is what we ought to get on the budget next week. But if they ignore us, they will not do so. If they want to increase our Nation's debt without a new plan, count me out.

Mr. BOYD. Mr. Speaker, I want to thank the gentleman from Texas (Mr. STENHOLM) for his leadership on the budget issues. The Blue Dogs have written a budget every year since I have been in the Congress. The first year was 1997. That actually was the year, as the Speaker may recall, that the historic Balanced Budget Act, the bipartisan act, was negotiated between the Republican-controlled House and Senate and the Democratic administration. That plan was a wonderful plan that got us into balance, and now we are headed in the opposite direction.

Mr. Speaker, I yield to the gentleman from Arkansas (Mr. BERRY).

Mr. BERRY. Mr. Speaker, I thank the distinguished gentleman from Florida for the great job he has done in his leadership on budget matters and many other things, and the courageous stand that he takes, and also my distinguished colleague, the gentleman from Texas (Mr. STENHOLM). He has been working on these issues for all the time he has been in this body, and we all appreciate his leadership.

The first thought that comes to my mind is this time last year the Blue Dog Coalition extended an opportunity to the administration, and we said we wanted to work with them. We want to do the right thing. We want to have a balanced budget, and we want to have tax cuts. We want to pay off the debt.

They sent the director of the Office of Management and Budget to us. He said, we really do not need you. We can do whatever we want to do. We are in the majority, and we are going to pass this budget. We are going to do it like we want to do it. We will listen a little bit, but we have plenty of money. We have so much money that we are more worried about paying off all of the debt than we are what we are going to pass on to our children, which is a great debt, it has turned out.

I would beg the administration and the Republican majority, please do not do this to our children and grand-

children. Please do not continue to run up debt and spend the Social Security and Medicare trust funds, and force our children into a totally impossible fiscal situation in this country 15 years from now.

Please do not do that. Work with us. That is all we are asking. Sit down and work with us. Be honest, and give us a plan so we do not destroy the future of our children and grandchildren. We want to work with them, and it just does not make any sense what we are doing.

We took \$5 trillion last spring, piled it up in front of the United States Capitol and burned it. Now we are acting like that money is still there. We continue to spend the Social Security trust fund. We continue to spend the Medicare trust fund. We continue to borrow money to operate on, to pass this debt on to our children and grandchildren. It is not right. We should not do it. If we were not building up more debt, we would not need to raise the debt ceiling. It would not be necessary.

So all we ask of them is, give us a plan. Let us work with them. We all want to do the right thing.

Mr. BOYD. Mr. Speaker, I thank the gentleman from Arkansas.

In closing, I just wanted to say that we are all aware, and I hope that the viewers, our listeners, our constituents, are aware that late last year the Treasury Secretary, Mr. O'Neill, formally requested that Congress increase the statutory debt limit by \$750 billion, from the current level of \$5.9 trillion to \$6.65 trillion.

Mr. Speaker, this request comes a full 7 years earlier than the administration had predicted when it presented its budget 1 year ago. Again, I would say this budget, this debt limit increase, comes a full 7 years earlier than was predicted by the administration when it presented its budget to us 1 year ago.

Mr. Speaker, I tell my constituents back home every chance that I have to speak to whatever group it is that we are the most fortunate and blessed people in the world. We live in the greatest country in the world. We are the economic leader of the world. We are the richest country in the world. This country has 5 percent of the world's population and 25 percent of the world's wealth.

We are the military leader of the world. All the other military hardware of the countries, all the countries around the world will not stack up to the firepower that this Nation has at its disposal.

We ought to be able to figure out a plan to pay our bills. We ought not to have to dip into the Social Security trust fund to pay our operating bills. That is all that we are asking this administration and the majority, the Republican majority in the House, to do is to sit down with us and let us work together to develop a plan to get us back into balance with our Federal spending before we raise the debt ceiling.

Mr. Speaker, I thank the members of the Blue Dogs who have come here tonight and spoken so eloquently and succinctly on this issue.

#### THE PROBLEMS AND THE FUTURE OF SOCIAL SECURITY, AND THE COST OF DOING NOTHING

The SPEAKER pro tempore (Mr. FORBES). Under the Speaker's announced policy of January 3, 2001, the gentleman from Michigan (Mr. SMITH) is recognized for 60 minutes as the designee of the majority leader.

Mr. SMITH of Michigan. Mr. Speaker, following the presentation from the Blue Dogs, let me just say from our side of the aisle that the Blue Dogs have come up with some good, thoughtful ideas in terms of fiscal responsibility.

I think we have to be careful about not passing blame, and I would hope that as one of the three separate entities of government that our Founding Fathers set up, that we as a Congress would also take on some responsibility and not expect just that it is up to the administration to present us a plan of what is good for the future of this country. We also have that responsibility.

It seems to me, I say to the gentleman from Texas (Mr. STENHOLM), that if we are going to be honest with the American people, if we think that our problems today are so important that we have to borrow money that is in a sense a mortgage that our kids and our grandkids are going to have to pay back, then we should not do it by borrowing.

If we think what we are spending money on today is so important, then we should increase taxes and not try to hoodwink the American people into thinking the size of this government is less costly than it really is by sort of off on the side borrowing more money, where it is not quite as visible as quickly in terms of the obligation that people have to eventually spend to cover what we think is more important today maybe than what our kids and grandkids are going to be facing 20 and 30 years from now.

I would just like to call on the gentleman from Texas (Mr. STENHOLM) as we get into the Social Security debate, because he has been one of the leaders.

Before I do that, Mr. Speaker, I want to remind everybody what we did in 1998. At that time, we promised that there was going to be a balanced budget by 2002, and we did that predicated on an estimate that revenues in 2002 would be \$1.4 trillion. Now, what happens to revenues, just in the most recent projections this year and 2002, are that revenues are going to be almost \$2 trillion, so \$600 billion more than we anticipated in 1998 when we promised to have a balanced budget.

Even if we take \$40 billion out for the tax cuts and another \$30 billion out for the war on terrorism, there is still \$530 billion that was increased spending rather than lost revenues.