

pay the bills that we are incurring for our protection and for the protection of our children and not pass on a debt that we have been working on to the extent that we are.

Let me give Members a few facts which are painful to even read. Right now we, the people of the United States, owe about \$6.4 trillion as represented by our national debt. Even worse, 8 months ago Congress was called on to raise the debt ceiling; that is the amount of money that the people of the United States borrow. Eight months ago, we raised that debt ceiling \$450 billion, which represents almost 10 percent of the then-\$6 trillion debt. Do Members realize that 8 short months later we are told by the Secretary of the Treasury we are going to hit that ceiling in the next few days or weeks. That means we have run through in 8 months \$450 billion of additional debt.

It gets worse. The Congressional Budget Office last week reported that the deficit for this year would be \$287 billion, and that does not include any monies for a potential war in Iraq. CBO further predicted that the deficits over the next 10 years if we continue to follow the economic model that we are operating under right now and do the things the President has suggested with regard to the Tax Code, that over the next 10 years we will rack up almost \$2 trillion of additional debt.

Now any rational businessperson understands that such an economic business plan, either in their business or for the country's business, is unsustainable; and the reason it is unsustainable is because interest must be paid on this debt. Last year we, the people of this country, paid \$332 billion, paid and accrued \$332 billion of interest on the national debt. The revenue of the Federal Government last year was \$1.8 trillion. That means we have a debt tax, D-E-B-T, debt tax of 18 cents out of every dollar. Said another way, we have an 18 percent mortgage on our country and this debt tax, as we continue to borrow more and more money, is the only tax increase on the American people that cannot be repealed because interest has to be paid.

This does not even touch the moral argument of what we are doing to the next generation. I told somebody the other day, I said I do not think any of us in this room want to leave our children a country where the rivers and streams are so polluted that fish cannot live in it, kids cannot swim in it, and people cannot drink from them. I do not think anyone wants to leave our children a country where the air is so foul and smog infested that our children have to wear a surgical mask to ride their bicycle, and I do not think any of us want to leave our children a nation that is so burdened with debt that they will not be able to make the public investments that only the government can make to enable private enterprise to grow, expand and flourish.

If there is any businessperson in this country who thinks for one moment

that private enterprise can flourish and grow without public infrastructure investment, whether it be in bricks and mortar, airports, railroads, harbors on our rivers and streams, or anything else, interstate highways. If they think private business can grow and flourish without that kind of public investment, then they have never been to a country that does not have any government because in those countries, nobody is doing any good. I have been there, seen that.

So I want to just say that under our present scheme if we listen to some, the deficits do not matter, that this is just a short-term problem. People have tried since the dawn of civilization and the invention of something we call money to borrow themselves rich. It has never worked then, and it is not working now, and anybody who thinks that we can borrow ourselves rich expects what never was and never will be.

We have a serious problem in this country. We are not doing our children right by passing on such a debt to them because we do not have the courage to either raise the necessary revenue for what we want, or we do not have the political courage to cut spending where we can. Something has got to be done, and that is why the Blue Dogs came today with a new budget for this fiscal year that will get us back on a glide path to balance. The biggest gift we could give to our country and to our children is a country that is debt free.

Just think, if we did not pay \$332 billion in interest last year what we could do, either cut taxes or make the investments in education, in a world class military, in all of those things without ever raising taxes again. That is the kind of financial management I think people expect us to exhibit up here, rather than trying to borrow ourselves rich and tell them everything is going to be all right.

Madam Speaker, I just want to say that I hope people will give some consideration to the God-awful debt that this country possesses now and what is forecast for the future, and will help us as we try to wrestle with it.

Mr. BOYD. Madam Speaker, I thank the gentleman from Tennessee. Members can tell he is truly our leader on these kinds of budget issues, and a very thoughtful member.

□ 1730

THE BLUE DOG BUDGET PLAN

The SPEAKER pro tempore (Mrs. BLACKBURN). Under the Speaker's announced policy of January 7, 2003, the gentlewoman from California (Ms. LORETTA SANCHEZ) is recognized for the remainder of the minority leader's hour.

Ms. LORETTA SANCHEZ of California. Madam Speaker, I was sitting in a military congressional hearing and could not get out in time, but we are here now and really excited about having so many of our Blue Dogs come

here today to talk about the real problem on our hands.

And what is the problem on our hands? The problem is that a couple of years ago, many of us who were here in the Congress understood that we were in a surplus situation. We were getting more money in taxes than we were spending. And so we had a surplus. In just 2 years, under the Bush administration, we are in a deficit situation, a projected deficit, anybody that you talk to in this year's budget, of anywhere between about \$300 billion and \$350 billion. That does not include the war on terrorism, the war in Iraq, our work going on in Afghanistan; that is above and beyond the \$300 billion-plus deficit that we are running this year.

Add that to almost a \$6 trillion debt load that we are already carrying, and this becomes a major problem. Yet everything else seems to be going wrong. People are being laid off. There are no jobs being created under this administration with the plan that he had, his great tax cut that was supposed to stimulate the economy. It has not. Businesses are closing; bankruptcies are up. We read that in today's newspaper. That is despite all the other problems that we are having in the international world and with respect to a war. So our economy is weak and in many cases, like in California, is getting smaller as we speak.

So what do we do? The President's proposal has been to put forward a budget with stated aims of saying that the economy should get moving, that this budget of his would create jobs and that they would balance the budget. Strike one, strike two, strike three. This budget misses all marks of these three aims. I am going to go through that a little, and then we have got some Blue Dogs here who want to talk about what our proposal is for the budget of 2004.

First of all, economic stimulus. The way that the President has structured his tax cut does not and will not stimulate our economy in the short term. It does very little. In fact, even the President's plan when you look at it, only 5 percent of his projected stimulus package would have any impact now. Now, while people are being laid off. Now, while unemployment benefits are running out. Simply put, the President's stimulus plan is not stimulative at all. In contrast, we Democrats, and in particular the Blue Dog budget, would help to expand the economy. It would help those who have lost their jobs, and it would call for immediate tax rebates. That puts money in the pockets of those people who will spend it, not the people who already have money, but the people who need it to live on a day-to-day basis. It is going to create jobs.

Let us take a look at the President's tenure. Unemployment went from 4 percent to its current 5.8 percent. In other words, he has not created jobs. We have been losing them. He has done a round of tax cuts, over \$1 trillion

worth of tax cuts. It did not work. It has not worked. And now he proposes to do the same thing, another tax cut. But if his first one did not work, his second one certainly will not work. We need job creation, and we want it to include small business. Small business is where jobs in America are created today. The stimulus effort needs to be focused in part on small business. The Blue Dog plan calls for immediate aid to small businesses by calling for increases in small business expensing from \$25,000 to \$75,000 for equipment purchases in 2003 and 2004, right now. If businesses invest right now, we are going to give them a tax break, and that is going to stimulate the economy.

Finally, the President's plan, he says, would bring down the debt. But it will not. It would increase the national debt far into the future. As my colleague, the gentleman from Tennessee (Mr. TANNER), said, when we include the service on the debt, or the interest payment that we have to make that the President's plan would generate, his plan will cost at least \$925 billion through 2013 alone, with no end in sight. The Democrats, and the Blue Dogs in particular, believe that the main thing we have to get under control is the debt, because when we do that, when we bring down the debt, then the interest payment that we make on that borrowed money becomes smaller and smaller.

When I first got to the Congress, it was about 17 cents of every dollar was spent on interest on the debt. By the time President Clinton got out of office, it was only 11 cents. We were bringing down the debt. The Republicans, when President Bush came in, they were having a hard time deciding, my God, what does the world look like when the Federal Government does not have any debt? They were worried. They were actually worried that we might bring down the debt and there would be no debt in the United States. But they fixed that. They fixed it by giving tax cuts, they fixed it with a bad economy, and now we are back up to 18 cents of every dollar we bring in as tax revenue to the Federal Government gets spent on the debt. We need to reduce the public debt. It is a debt tax.

We as Blue Dogs believe that we cannot simply stand around and criticize, but that we must present our own solution to the problem, that it has to be credible, that it has to be based in principles. The Blue Dog principles are to bring down the debt, stimulate the economy, create jobs, and get the economy moving again. That is why I am for the Blue Dog enforcement bill, which we call Assuring Honesty and Accountability in 2003.

All of the provisions in our budget enforcement bill are for debt and deficit reduction. In very black and white terms, we have a plan of how to bring down the debt and how to stimulate the economy. A handful of my fellow Blue Dogs will be here tonight to speak

about that. I believe the next one that we have is the gentleman from Mississippi (Mr. TAYLOR), who will give his version of what Blue Dogs are trying to do to help bring down the debt, create jobs, and put more money in America's pockets.

Mr. TAYLOR of Mississippi. I thank the gentlewoman. I think it is important that we remind the American public where we are now. When we passed the Bush tax cuts in May, just 2 years ago, our Nation was \$5,643,680,010,418 in debt. Less than 2 years later we are \$6,445,790,102,749 in debt. That is an increase of over \$800 billion. If you were to track the American debt from the founding of the American Revolution through the Vietnam War, our Nation had borrowed that much money in about 180 years. In less than 2 years, our Nation has borrowed that much money. What is particularly frustrating I think for all of us is the complete flip-flop on the part of our Republican colleagues.

The gentleman from Illinois (Mr. HASTERT) has been the Speaker of the House now for, I believe, 1,500 days or something very close to it. In those 1,500 days, he has never scheduled a vote on a balanced budget amendment. I find this a bit ironic, because on March 17, 1994, then-Member Hastert said clearly, "Until our monstrous \$3.4 trillion deficit is eliminated, interest payments will continue to eat away at the important initiatives which the government must fund. I will not stand by and watch Congress recklessly squander the future of our children and grandchildren."

As I pointed out, the debt has increased \$2 trillion since the Speaker said that, then-Member HASTERT. Yet he will not allow a vote on a balanced budget amendment, and we are not even sure he is going to allow a vote on the Blue Dog budget. As we know last year, it was so thoroughly convoluted in the Committee on Rules that we were not given a clear opportunity to offer it as an amendment. I hope, Mr. Speaker, you will do so this year.

I would also remind you that on that same day, you said, "The American people have wanted a balanced budget amendment for a long time, because they know it's the only way to force Congress to make spending choices."

Mr. Speaker, if you meant what you said in 1994, we are willing to help you do just that, but you have got to give us a vote on it.

There are some other interesting quotes. The next year, January 25, the Speaker said, "Mr. Chairman, a national debt of \$4.5 trillion, you can see how it's growing, should finally convince every Member in this Chamber that Congress has got no discipline to solve its own problems. This balanced budget amendment will put discipline upon us."

Mr. Speaker, I wish you would live by those words and give us a vote.

Here a few days later, "The American people want their government to be fis-

cally responsible. They want us to balance the budget in order to lower our debt and make our children's future brighter."

We could not agree with you more. You were right in 1995. Why are you not for a balanced budget now?

Some other friends of mine on the other side of the aisle have said similar things. Now Majority Leader TOM DELAY, it has been a while, March 11, 1994:

"We are showing what we would do. If the Republicans were in charge of this House and in charge of the Senate, it would be a much different America. It would be a much different government."

In the past 2 years, or less, you guys have run up \$800 billion in new debt. It is obviously different. I do not think it is better, but there is always time to change. I think one of the ways that you can change is to allow a vote on the floor next week of the Blue Dog budget, which would get us back on the path to a balanced budget.

The gentleman from Texas (Mr. DELAY) had some interesting statistics. This is from a speech that he gave on the House floor in 1995:

"In 1980, each child born that year immediately inherited a debt of \$4,000. That is government debt. By 1985, because no balanced budget had been adopted, the children that year had inherited a \$7,600 debt. By 1990, our children were burdened with almost \$12,800 in debt."

This is again from Majority Leader DELAY's floor speech from 1995:

"Each year every child born in America this year will begin life with a debt of more than \$16,700. Is it any wonder that young families have trouble saving money for a down payment on a house? Is it any wonder that the Federal Government's consumption of more than one-quarter of all our economic activity is driven in interest rates and stifling economic growth?"

When the majority leader made that comment, our Nation was about \$4.3 trillion in debt. We are now \$2 trillion further in debt, so I think it is fair to say that your \$16,000 debt that you made reference to is now a \$25,000 debt for every American man, woman and child. Yet what really troubles me, and I could go on and on pointing out very important Members of the Republican Party: the gentleman from California (Mr. THOMAS), the gentleman from Illinois (Mr. HASTERT), the gentleman from Texas (Mr. DELAY), the gentleman from California (Mr. DREIER).

One thing that strikes me as an American who tries to be objective about all of this and who kind of enjoys watching other people's political races, I remember distinctly then-candidate Al Gore being severely beaten about the head and shoulders for flip-flopping on the abortion issue. I know many people in this Chamber have different opinions on this, but my Republican colleagues reminded the American people that Al Gore ran as a pro-life candidate only to change to a pro-choice

and accused him of flip-flopping. That is probably true. But if that is true, then how can the Speaker and the majority leader, the gentleman from California (Mr. THOMAS) and others who came to this floor and gave eloquent speeches, and they were eloquent speeches, about the importance of balancing the budget, the importance of a balanced budget amendment, that deficits are bad, that interest payments on the debt are bad, how can they now look the American people in the eye and say they are good?

□ 1745

It is a fair question to each of you. It is a fair question the American people ought to be asking my Republican colleagues. Do not try to tell me that you never said it, because it is in the CONGRESSIONAL RECORD.

So the question is, what did you really believe in? Did you believe it when you said it then, or do you believe it when you are saying deficits are not important now? Because they are totally opposite. And all I think the American people are asking for is some honesty, some honesty in budgeting, and some concern about the future of this country, and that we quit sticking our kids with the bills.

The last thing I am going to say, and it is the analogy I use back home because everyone understands it, there is not a Member in this body who would go out and buy a car, and say, "I don't care what it costs, I don't care what the payments are, because my 6-year-old child is going to pay the bill."

There is not a Member in this House that would go out and buy a house and tell the realtor, "I want the nicest house in the county. I don't care what it costs, I don't care what the payments are, because I am going to stick my grandkid with the bill." That is precisely what we have been doing as a Nation, and in less than 2 years we have stuck our kids and grandkids with an \$800 billion bill.

The Blue Dogs will give you an opportunity next week to start turning that around. We are going to give you an opportunity to be men of your words. I hope you will join us in trying to balance the budget.

Mr. Speaker, I would hope that you would live by your own words and give us a vote on a much-needed balanced budget amendment to the United States Constitution.

Ms. LORETTA SÁNCHEZ of California. Mr. Speaker, I thank the gentleman from Mississippi.

Mr. Speaker, now to join us on the House floor is the gentleman from Texas (Mr. TURNER), who has been a leader of the Blue Dogs and has some nifty charts here, to really explain, in case any of you have just joined us, that the Blue Dogs are about bringing down the deficit and creating jobs and bringing the economy back, in contrast to what the President and his Republican majority in the House and in the Senate have presented with their 2004

budget. We have a different budget in mind. We have a timeline to bring down the debt and bring this country back into surplus.

I yield to the gentleman from Texas. Mr. TURNER of Texas. Mr. Speaker, I thank the gentlewoman for hosting this hour for our Blue Dog group for the presentation of our budget proposal.

The Blue Dog Democrats in the House are 35 members strong. We come from all over the United States. Tonight we have had Members from California, Mississippi, Tennessee and Florida. We will hear from the gentleman from Arkansas (Mr. ROSS) shortly.

This is a group that is united by one theme, and that is we believe that our country must return to balanced budgets, we must try to pay down our debt, which now stands at over \$6.3 trillion, and, in order to do so, we have to adopt a fiscally responsible budget in this Congress this year.

Back in January the President revealed his budget plan, and we have had the opportunity to look very carefully at his plan. As you know, his plan calls for tax cuts and acceleration of tax cuts that were implemented 2 years ago when we passed the largest tax cut in the history of the country. That tax cut was to be phased in over a period of about 10 years. Those tax cuts have been phasing in, and the Blue Dog Democrats believe that the tax cuts that we have all received need to remain in place.

We also believe that the future tax cuts that will accrue to the benefit of low and middle income families need to be implemented immediately in an effort to bring about a short-term stimulus.

But the Blue Dog Democrats disagree with our President on two important points of his plan. First of all, we believe that it is wrong for half of his tax cut plan to be dedicated to the elimination of the taxation of dividends.

Now, there are many wealthy Americans who have a lot of stock and who would greatly benefit from eliminating the tax on dividends. But most Americans have very modest stock investments, and we believe it is wrong to dig the deficit hole deeper and to increase our national debt by proposing at this time the elimination of the taxation of dividends.

We also believe that at a time when our Nation is on the verge of war, that we as Members of Congress need to call upon the American people to share in the sacrifice that is being made by the young 18, 19, 20, 21-year-olds who are now gathered around the borders of Iraq, poised for military conflict.

In time of war, all Americans must share in the sacrifice. By eliminating the part of the President's budget plan that eliminates the tax on dividends, we believe we are calling upon those Americans who are best able to share in the sacrifice to postpone that part of the President's plan.

We also believe that American families who have incomes over \$170,000 a

year should be willing to defer the tax cuts that they would get under the President's plan in order to share in the sacrifice necessary to fight and pay for the war in Iraq.

That is the Blue Dog plan: Accelerate the tax cuts for the lower and middle income families, for all families who have incomes below \$170,000 a year; but those who have greater incomes than that, they will get the tax cuts that would naturally accrue to the cuts in the lower tax brackets. They will get the benefit of the Blue Dog plan for accelerating the child tax credit and eliminating the marriage penalty, as will all Americans. But as far as a reduction of the top rates, those families at \$170,000 and above should be willing to wait, wait until we get through this war, wait until our budget situation improves.

The difference in those two plans, the Blue Dog plan and the President's plan, has a dramatic impact upon our Federal budget. If you look at the chart to my right, you see the President's plan will dig the budget deficit hole deeper to the tune of \$2.7 trillion in debt over the next 10 years. Our present \$6.3 trillion debt under the President's plan at the end of 10 years will stand at \$10 trillion. We think that is wrong. We think that is bad for the country. We think that is digging a hole that we will have a very difficult time getting out of.

The second chart I have shows that the amount of interest that every American family of four will have to pay just to service that debt that we will have under the President's plan. As you can see by the chart, currently every family in America pays \$4,624 in interest just to service that \$6.3 trillion national debt. That is what we call the interest tax, and the interest tax is the only tax that you cannot repeal, because the interest obligation on the \$6 trillion debt must be paid every year by the taxpayers of this country.

So if you look at the President's plan, by the year 2013, 10 years from now, every American's debt tax will double. Every American family will be paying \$8,458 every year, just to pay the interest on the ever-increasing national debt.

We believe that is wrong. We believe it is a tremendous waste of taxpayer dollars to invest that much in interest.

Ms. LORETTA SANCHEZ of California. If I may ask the gentleman a question on that, right now you are telling us we are paying about \$4,400 for a family of four just on the debt that this Nation carries in 2003, and if the President's budget gets passed and signed by him, we are going to be looking at increasing that geometrically, basically?

Mr. TURNER of Texas. That is correct. As we said, by 10 years, the end of the budget period that we are now looking at, the tax paid by every family would be \$8,458, just in interest. Today, 18 percent of every tax dollar collected by the Federal Government goes to pay interest.

To look at it another way, if you took only the Federal personal income tax, about 25 percent of every dollar we pay, 25 cents out of every dollar that we pay, goes just to interest on the national debt.

What a waste. We talk about wasteful spending, there is no greater waste in any area of spending than what we waste every year just paying interest on this debt that we have accumulated. The Blue Dog plan is to stop that hemorrhaging.

Ms. LORETTA SANCHEZ of California. I would say to the gentleman from Texas, this does not include what it costs for us to go to war with Iraq.

Mr. TURNER of Texas. That is correct. All of the discussion currently ongoing about the Federal budget, the levels of spending, do not include the cost of a conflict with Iraq or the cost of rebuilding Iraq once the conflict is over. The President has said that is a separate item, that it should be treated as a separate item. He has promised he will send a supplemental request to the Congress to pay for that if and when it occurs.

So we are actually talking about very conservative estimates of the size of the national debt, and the Blue Dog budget plan we are contrasting tonight with the President assumes the President's levels of total spending.

There are a lot of folks around here who believe very strongly, as I do and the Blue Dogs do, that we spend too much money and we have to be conservative in our spending. The President has sent us a budget that calls for significant reductions in the levels of spending that we have seen over the years. But even if you abide by the President's spending recommendations, which our budget does, his tax cut policies will increase our national debt to the level to the tune of \$10 trillion by the end of this decade.

So, what we say is as long as we are facing war, facing growing deficits, those who are most blessed economically in our country should be willing to defer the future tax cuts they have yet to receive in order to help us dig our way out of this ever-deepening hole of debt and deficit.

The chart I have to my right shows in a line graph the differences and the surplus under the Blue Dog defense budget and the deficit that will occur over the next 10 years in the President's budget. The blue line shows the President's budget. The red line shows the path to a surplus under the Blue Dog budget.

As you can see, after 10 years, our Blue Dog budget has seen several years of improved fiscal condition of the Federal Government, and we have returned to surplus. We will have returned to a surplus by 2009. By the end of the decade, we will have returned to what we call a true surplus that does not account for the influx of Social Security funds, which we are currently spending, just to run the rest of the government.

This Congress a few months ago voted on several occasions never again to borrow money from the Social Security Trust Fund to run the rest of the government. We had 1 year, the last year of the Clinton administration, when we did that, when we accomplished that. But now we are back into deficit spending, we are using Social Security money once again to run the government, and the Blue Dog plan is a plan that will get us back to a point where we will no longer do that. The President's plan, to the contrary, does not accomplish that goal.

Just in the last 2 months, the Congressional Budget Office in revising its economic forecast on Federal income said that the Federal debt at the end of the 10-year period would be half a trillion dollars larger than they have said it would be in just January of this year. So the slide into ever-deepening debt has been dramatic.

The Blue Dogs call upon our President to take a look at the same numbers that his Office of Management and Budget produces, which are very similar to the numbers that our bipartisan Congressional Budget Office produces, and acknowledge and recognize that our picture, our financial picture, has changed dramatically, even since he announced his budget recommendations in January of this year.

I think, based on those changed numbers, the President should join with the Blue Dogs in trying to move toward a balanced budget within this decade, rather than continuing to dig this deficit hole deeper and deeper.

So, I hope tonight as the Blue Dogs have gathered on this floor, that we will be able to persuade not only our Democratic colleagues, who are well aware of this severe deteriorating budget situation, but our Republican colleagues, that they should take a good, hard look at the Blue Dog budget alternative.

It should be appealing to many of them, because for many years Republicans were known to be fiscal conservatives, and it has only been in the last 2 years when we have seen Republicans abandon that, and in fact on many occasions tell us that deficits really do not matter.

The truth is, common sense still prevails, and as you go along spending more money than you take in, eventually it is going to catch up with you. I have never seen a family that could sustain itself for very long incurring debts that they could not repay, and neither can your Federal Government.

□ 1800

So we believe Republicans will be attracted to our plan because we do not dig the deficit hole deeper. We believe that our spending levels, which are the same levels as the President's, will also be attractive to Republicans because they, I hope, would follow their President's recommendations on spending.

So we hope this plan will be well received, and we look forward to the op-

portunity to debate it when this House considers the budget resolution for this year.

Ms. LORETTA SANCHEZ of California. Madam Speaker, I thank the gentleman. Congratulations, by the way, at being named the ranking member of the new Committee on Homeland Security, another area of government that we will see, undoubtedly, some spending happening this year. I know with the gentleman's fiscal conservative principles that he will really hold the line and try to make America safe, but do it within a budget and without too much overspending, as we see the Republicans are attempting at this point. I thank the gentleman for being here tonight.

Next we have the gentleman from Arkansas (Mr. ROSS), who has been a Blue Dog now, I do not know, maybe 4 years, or maybe 2 or 3. He is going to talk about the Blue Dog budget. I yield to the gentleman from Arkansas (Mr. ROSS).

Mr. ROSS. Madam Speaker, I thank the gentlewoman from California. We have heard a lot of talk tonight about the Blue Dogs. There are 35 of us in the United States Congress who are conservative Democrats that make up the Democratic Blue Dog Coalition. We have one mission as a coalition, and that mission is to promote fiscal discipline, fiscal responsibility, and to bring common sense to our Nation and its budget process.

We rise tonight because we are concerned about this country and its future. This country is \$6 trillion in debt; and under President Bush's budget that he just released to Congress, over the next 10 years, this country will go from \$6 trillion in debt to \$9 trillion in debt.

This country spends \$1 billion every single day simply paying interest on the national debt. What does that mean to all of us? It means a lot. Madam Speaker, \$1 billion a day. We could build 200 brand-new elementary schools every single day in America just with the interest that we are paying on the national debt. I have several interstate highway programs under construction in my congressional district back home that will create jobs while the roads are being built and will create jobs long term because of an improved infrastructure which will allow more industry to come and locate in the Delta region, one of the most impoverished regions of the country. I could finish those highways in less than a week just with the interest that we are paying on the national debt. I call it a debt tax. The gentleman from Texas (Mr. TURNER) had it right. That is one tax that cannot go away because as the debt grows, the amount of interest that we as a Nation are required to pay on that debt also grows.

The first \$2,559 that every single taxpayer in this country pays each year does not go to educate our children, it does not go to improve roads or to create jobs or improve health care, or to make it affordable and accessible, or to

provide prescription drug coverage as a part of Medicare for our seniors, no. The first \$2,559 that every taxpayer in this country pays each year simply goes to pay interest on the national debt. We have got to get this debt under control. But now it is getting worse.

From 1997 through 2001, this country did not deficit spend. Last year, President Bush's budget put us back in the days of deficit spending to the tune of \$199 billion. This year it will be \$300 billion. It is projected to be \$307 billion next year. We are headed in the wrong direction. We must get out of the days of deficit spending, and we must begin to pay down this debt.

Social Security. The President's budget for fiscal year 2004, he wants over a 10-year period to borrow \$2.3 trillion from the Social Security trust fund. Our government has already borrowed \$1 trillion from the Social Security trust fund, and I think it is time for the politicians in Washington to keep their hands off the Social Security trust fund.

There are those in government who will tell us that we must invest that money until the time that we need it somewhere, and that may be true. But let me tell my colleagues something. When I go to the bank to get a loan, they want to know how much I am going to pay back and when I am going to pay it back. This country has already borrowed \$1 trillion, getting ready to borrow an additional \$2.3 trillion from the Social Security trust fund with absolutely no provision on how it ever gets paid back. Guess what? Assuming it does get paid back, Social Security as we know it today is still broke in 2041, because beginning in 2011, we will have more people earning Social Security benefits than paying into the system.

Medicare as we know it today is broke in 2030.

Now, the President wants another tax cut for the wealthiest people in America. I am not here to beat up wealthy people. This is America. Many people grow and realize the American dream of being successful, and there is nothing wrong with that. But we are asking our men and women in uniform to now make a sacrifice. We are asking people all across America to sacrifice during this heightened time with the potential for war and terrorism. I think now is not the time to pass additional tax cuts.

Let me say this, Madam Speaker. I was one of 28 Democrats to vote with President Bush for his tax cut about a year ago. It was the biggest tax cut in 20 years, \$1.3 trillion. But a lot has happened since then. We have gone from a \$5.6 trillion projected surplus to a \$215 billion debt over the next 10 years. We have had 2.5 million people in America, 2.5 million in America lose their jobs; and anyone who has a retirement plan, a 401(k) plan or invests in the stock market knows exactly what has happened there. We may need dividend tax

reform, but now is not the time to do it.

Madam Speaker, as I travel my district back home, I have people come up to me and they talk about how they are unemployed for the first time in their lives. They talk about how they are trying to get by on a \$600 Social Security check with a \$400-, \$500-, \$600-, even \$700-a-month drug bill. People come up to me and talk about how they are struggling to figure out how they are going to afford to send their kids to college; but never has anyone walked up to me back home or anywhere, for that matter, and said, you know, I am having trouble feeding my kids because I am paying too many dividends, too many taxes on my dividends.

Now is not the time for that reform. Now is the time to be fiscally responsible. Now is the time to begin to get out of the days of deficit spending and to pay down, to begin to pay down this debt.

Here is why it is so important, and here is why the Blue Dog budget addresses those things, and here is why the Blue Dog budget is the right answer during these difficult times to begin the process of getting us out of deficit spending and beginning to pay down the debt. The reason is simple. My grandparents left this country just a little bit better off than they found it for my parents, and my parents left this country just a little bit better off than they found it for our generation. And I think we have a duty; no, I think we have an obligation to leave this country just a little bit better off than we found it for our kids and for our grandkids.

Ms. LORETTA SANCHEZ of California. Madam Speaker, I thank the gentleman from Arkansas. I think there was a point that the gentleman made that is so important for America to understand, and that is that when one comes to this country or when one is born in this country and one realizes their potential, one is in the greatest market economy the world has known, and so it is great if one can use their talents and make money. It is the American way. My father did it coming to this country, my brothers and sisters and I have done it in this country. We want the same thing for everybody. And I tell people all the time who make good money, I say, when they complain to me about paying taxes, I say to them, is it not a great country, where you can make \$1 million, \$2 million, \$500 million a year? Is it not a great marketplace? Is it not great to see the infrastructure we have, the communication that we have? The way our market works, the way people can come here with nothing and make something? Is it not a great place?

Madam Speaker, one has to make money to pay taxes. I think it is a great thing that we pay taxes, because I see the improvements, I see what we have. We have a market economy where we can succeed. So we are not

against rich people. We just want to tell people who are making money, there are the troops sacrificing, there are the unemployed sacrificing. There are teachers in classrooms sacrificing, taking out of their own pocket to buy supplies right now. Can you wait? Can you wait on your next tax cut? Would the gentleman not agree?

Mr. ROSS. Well, let me say that this is not a partisan issue for me. I was one of those who supported President Bush's tax cut about a year ago. I just think now is not the time for additional tax cuts, not at a time when we are asking our men and women in uniform to sacrifice, and not at a time when we return to the days of deficit spending, and this country is \$6 trillion in debt. Again, we are spending \$1 billion a day just paying interest on the national debt. Now is the time to restore fiscal discipline to our national government, to pay down this debt, and to get out of the days of deficit spending.

Let me tell the gentlewoman two things that concern me. If the President is just dying to spend \$700 billion on something, let me tell my colleagues some things we ought to do in this country. We ought to quit talking about modernizing Medicare to include medicine for our seniors and we ought to do it, and we ought to fund it to where seniors can walk into the pharmacy of their choice, pull out their Medicare card and be treated just like they are when they go to the doctor and when they go to the hospital.

We hear a lot about homeland security. We hear a lot of talk about it, but it is way underfunded. On February 7, four members of the Cuban Coast Guard on a 30-foot boat made the trip across the waters from Cuba to Key West. They docked at the marina at a hotel in Key West with two machine guns, and they walked the streets of Key West for a number of minutes trying to find somebody to defect to. Thank God it was the Cuban Coast Guard, and thank God they were here to defect. What if it had been terrorists? We have to quit talking about homeland security, and we have to fund it. We have to keep America safe. We have to keep our children safe. We have to keep our grandchildren safe.

Ms. LORETTA SANCHEZ of California. Madam Speaker, the gentleman is right. We need to protect and invest in America. Because we know what happens when we invest in America, when we invest in education, when we invest in a health care system, when we invest in our infrastructure and our communications system. When we invest, we reap more. And when we spend and drive up the debt, we get ourselves in trouble.

When we are talking about 18 cents of every dollar going to pay down the debt, it is credit card amounts. It is what one would anticipate as being the highest cost of borrowing. And imagine if we have to go to war. That is outside

of the President's budget. It is not included in the spending that he is proposing. So we will be even higher. And the Blue Dogs feel that the first thing we need to do is get down to basics. Hold down our spending, be good about that, tighten our belts in these tight times, spend on the right things, on investment, on homeland security, on education of our children, on our military. But we also believe it is not time for a tax cut. We believe that everyone must sacrifice during this time; and if we sacrifice and we do it right, we will bring down the debt that we see spiraling out of control. And when we do that, we will have more money, more money in the long run to spend on the things that make this country great.

So I would encourage my colleagues, in particular on the Republican side, to come and ask us about the Blue Dog budget, because we think it will work and it will bring down the debt. And when we bring down the debt, we will see ourselves where we were 2 years ago: in a surplus situation.

□ 1815

CONTROLLING THE TYRANT IN IRAQ

The SPEAKER pro tempore (Mrs. BLACKBURN). Under the Speaker's announced policy of January 7, 2003, the gentleman from Washington (Mr. INSLEE) is recognized for 60 minutes.

Mr. INSLEE. Madam Speaker, I have come to the floor tonight to discuss our Nation's policy in Iraq and before I discuss that most important issue I would like to make a couple of preparatory comments.

First, I would I want to express my respect, admiration and appreciation for the men and women of our Armed Services who are today deployed in the service of their country, who are already assisting the security and freedoms of our country today, regardless of the outcome of our national policy in Iraq. And I think it is important to note in any discussion of our national policy that the very reason we have the opportunity to discuss and debate these issues on the floor of the House of Representatives are the contributions past, present and future of the men and women of the America's armed forces. Because the very right of freedom of speech would not exist without the courage and dedication of our soldiers and sailors and Air Force personnel, Marines and Coast Guard and there are others.

We would not have the ability and other Americans would not have the ability to protest, to question their government's policy but for the dedicated courage of these individuals. And I have a particular personal connection and admiration for them. In the last 2 weeks I have gone to two deployments of citizens and my neighbors to the Middle East. I went to the deployment in Bremerton, Washington of the 8th Navy Hospital Unit who left about 2½

weeks ago and watched them say good-bye to their husbands and wives and children for the service of this country. And I have them in mind when I am deciding what position to take in Iraq.

I have the sailors of the U.S.S. *Rodney Davis*, a U.S.S. frigate that shipped off last weekend from Everett, Washington now bound for the Middle East and watched them say good-bye to their loved ones on that dock, and I have them in minds when I think about what our policy ought to be in Iraq.

Regardless of what Americans think their policy should be in Iraq, I think we should stand absolutely unanimously as we did in Congress here, in the House last week when we passed a resolution respecting and pledging our support and our prayers, which the brave men and women have tonight and today, in the sands of the Middle East, and we have should not forget them in any stretch.

Second, I want to say that I think that the U.S. Congress needs more discussion, not less, of America's policy in Iraq. And I think it is very disappointing to many Americans that there has been a pall of silence in the House about Iraq for the last several months. It is disappointing because while every democratically elected legislative body around the world or many of them have been debating this subject, the very citadel of democracy, the U.S. House of Representatives right here, the People's House, has been almost absolutely silent on this issue, and I think that is not in the best traditions of democracy.

To that end, we have invited some of my Republican colleagues, the gentleman from Texas (Mr. DELAY), to lead an effort to debate what should be our policy here in the House of Representatives, and to date we have not convinced them to agree to that type of debate in the House and I think it is very unfortunate. I hope that some of my Republican colleagues will engage with us in that discussion in the near future, and we have hope the gentleman from Texas (Mr. DELAY) would reconsider and would allow debate to occur on the floor of the House in this regard.

And the reason I say that is while this House did cast a vote, which I believe unwisely abrogated our constitutional authority to make the decision on war to the executive branch, a lot has happened since that decision months ago. This Chamber should be debating what the right course of action is in Iraq. We owe it to the soldiers and sailors of the 8th Hospital Unit in the Navy and the people of the U.S.S. *Rodney Davis* and all Americans to decide and debate this subject. And I think it is most unfortunate that the House has derogated its responsibility to make that decision and punted it over to the White House down on Pennsylvania Avenue. So I hope that we can inspire additional debate. I have come to discuss this today. I wish we had others to join us who has a different view about Iraq.

Now to the substance of Iraq, I will pose about 8 or 10 questions that I think that we need to have answered before a war starts in Iraq.

The first question I would pose is, is a policy of inaction in Iraq the right and acceptable policy for America and the international community? And I will answer that with a resounding no.

Inaction is not an accepted policy when it comes to Iraq. And fortunately inaction is not what we have at this moment. We have a policy of keeping this thug, this tyrant, this diabolical dictator in a tight little box and that is where we ought to keep him, and we ought to continue and promote and make stronger our inspection protocol to find and root out and disarm this tyrant. And we have been having success in that regard in the last several weeks. And we ought to continue and enhance and strengthen our no-fly zone, which denies that dictator effective control of 70 percent of his country. And fortunately, and this is very difficult to the Iraqi innocent citizens under this tyrant's control, but we ought to continue this economic sanction policy as well to keep this tyrant in his box.

The gentleman from Wisconsin (Mr. KIND) has joined us and I yield to him.

Mr. KIND. Madam Speaker, I appreciate my friend from Washington State for yielding to me.

I just wanted to commend the gentleman for having this discussion this evening. I think it is perhaps the most important decision that the President is about to make on behalf of our Nation, and it is a decision that is going to affect our relationship with the Arab world and the rest of the international community for decades to come. But one of my concerns is for the past several months Congress has been AWOL on this issue, absent without leave. And I think there is still time for us to engage on this fundamentally important decision, and that is what will be the future course of events in dealing with Saddam Hussein and Iraq. And somehow, some way I think we need to come to grips with the new reality of the international order, and that is there are some bad people out there that pose security threats against the safety of our citizens, but it is imperative that we figure out a way of distinguishing between those individuals who are deterrable and those who are undeterrable.

Certainly I would put Osama bin Laden, the al Qaeda regime in the undeterrable category. Those are the ones we need to focus on, we need to get after in order to enhance the security of our people in this country.

I think there is still a debate going on in regards to Saddam Hussein and whether he, in fact, can be deterred. But what is most disconcerting in all this is that we have lost a lot of good will in the international community. The international coalition of support that the President said he would work hard to try to achieve last fall has not