

better at policing, military policing in these sorts of situations, have a lot more experience than we do, but we are going to hire consultants and pay \$1 billion, borrow \$1 billion to take the Iraqis out of their country to train them.

Then we have got to arm them. Of course, the U.S. military has confiscated hundreds of thousands of weapons, many in the original grease and wrappers. But, no, that is not good enough for the Iraqi police force. We are going to spend \$200 million to buy them brand-new weapons. I thought, well, maybe this is good. Maybe it has got a Buy America component to it. Maybe we are going to buy from American arms manufacturers. No, AK-47s, that is what the Iraqi police want. We have confiscated tens of thousands of them, but instead of reissuing the ones we have confiscated, we are going to buy them brand-new ones at more than list price from our friends, the Chinese.

This is not waste, fraud, and abuse. No, the Washington Waste Watchers over there do not have their eyes set on Iraq and this kind of stuff, they are talking about the \$100,000 missing over there at the Department of Education that might have fed some hungry kids. But, no, if it is a huge contract, wasting billions of dollars in Iraq; that is just fine. The President asked for it. We have to do this.

Let us talk about the cement plant in northern Iraq. Our estimators looked at it and said \$15 million to rebuild that plant. So the Bush administration put out a request for proposal for \$15 million. The Iraqis didn't want to wait. They rebuilt it themselves. Cost: \$80,000.

Now, there is Mr. al-Barak, who is a member of the Ruling Council which we named. You would think he would be beholden to us since we put him in place. But he has been a little critical of our spending. He says, "You know what? We can do it for 10 cents on the dollar. The Americans are wasting incredible amounts of money."

We are going to be asked to borrow nearly \$20 billion, indebt Americans for the next 30 years for waste, fraud, and abuse and war profiteering, and the Iraqis say they can do it for 10 cents on the dollar.

There was a contract to feed the Iraqi Ruling Council, which we named, which Mr. Bremer put out, no bid, of course. I guess it was from Sardi's in New York because to feed 25 people a day, \$5,000 a day. The Iraqi council was aghast, and Mr. al-Barak said, No, thanks, we can feed ourselves for a lot less than \$5,000 a day. They think we are nuts. They really do.

Waste, fraud, and abuse, apparently is only when it might benefit Americans. But when it can benefit war profiteers and no-bid contractors overseas in the gold-plated building, not rebuilding, of Iraq, there is a blind eye being turned here.

The SPEAKER pro tempore. Under a previous order of the House, the gen-

tleman from Florida (Mr. FEENEY) is recognized for 5 minutes.

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

#### HIGHLIGHTS FROM THE ADMINISTRATION'S IRAQ REQUEST

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

Mr. ALLEN. Mr. Speaker, in the last 24 hours, three more American soldiers have died in Iraq. They are part of a group of young Americans who are doing everything they can to stabilize the situation over there in extraordinarily difficult circumstances. They deserve our support.

There are reports in Iraq of some successes on the ground, but as we look at the situation in Iraq today, it is hard not to come to the conclusion that this was an enormous strategic mistake, because we are now there with 130,000 of our military men and women for a very long time to come if this President's request is to be understood for what it is.

Before we invaded Iraq, representatives of the White House and the Pentagon came to Members of Congress and said to the American people that Iraq had developed some of the most lethal weapons ever invented, that it was an imminent threat not only to the neighbors of Iraq, but to this country as well. We were told over and over again that we would be welcomed as liberators. We were told over and over again that, in this case, Iraq, because of its oil resources, could fund its own reconstruction. None of that was true. And today we know it was not true.

This is a case where the administration hyped, overstated, distorted the intelligence that we had which was a lot more obscure and uncertain than we were led to believe.

But today we are there. We are in Iraq. We have 130,000 people. We have replaced the government. We have a responsibility to try to create stability in that country and restore it to a better place.

Now, we should begin, I believe, in trying to figure out what to do. It seems to me there are three basic changes we have to make, three basic policy approaches we have to make. First of all, we have to take this \$87 billion request we have been given and scrub it, look at it carefully, review it. There is an enormous waste in this particular request, and we ought to do our best to figure out what some of the cases are.

As previous speakers have said, Look, you have got \$3.6 million for 600 radios and phones, \$6,000 apiece. And according to Business Week on May 12, this is a quote, "When Baghdad's telephone system was knocked out during the war, small-time Iraqi businessmen ordered up satellite phones from Jordan for \$900 each." As the previous

speaker said, Let us go to Radio Shack. We can do better than that.

The \$87 billion includes \$33,000 apiece for 80 pickup trucks. Well, go down to your local auto dealer. You can buy pickup trucks in this country for \$14,000. What are we talking about? And those who paraded up here earlier on the other side of the aisle and said waste, fraud, and abuse is a problem for this government, we can begin with waste by simply looking at the administration's request.

One more item. \$50,000 per prison bed, double the average cost in the United States.

Those who want simply to rubber stamp the administration's proposal are making a big mistake.

The second thing we ought to do is we ought to pay for this. We should not be borrowing this money from our children and grandchildren. That is simply an outrage. We ought to reduce, roll back the tax cuts that have been given to people earning over \$330,000 a year, the wealthiest 1 percent in this country. And we simply have to do that. If we are going to be fiscally responsible, we have to take that kind of step.

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Third, we need to step forward and do what the administration is trying to do, although past actions make it difficult, we need to build international support. More international resources, more international police, more international troops to try to get us through what is an extraordinarily difficult problem. But having abused and alienated our allies, it is hard now to get them back into Iraq the way they need to.

Fourth, we need to change the way we are doing this postwar reconstruction. It has been another fundamental mistake to have the Pentagon overseeing this operation. The very people who said we would be welcomed as liberators, that Iraqi oil would pay for its own reconstruction, those people are in charge of the postwar planning, and the postwar planning has been bungled. We need to give back authority to the State Department, USAID and those Federal agencies that have shown in the past they can deal with this kind of reconstruction effort. Those who came to this Congress and misrepresented the intelligence that was available to them should also be replaced.

#### MEDICARE PHYSICIAN REIMBURSEMENT

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

Mr. GINGREY. Mr. Speaker, I rise today to call attention to the decline in Medicare reimbursement for physicians. Effective January 1, 2004, physicians and other providers paid pursuant to the Medicare physician fee schedules face at least a 4.2 percent cut

in reimbursements. For nearly 40 years, Medicare has provided necessary health care to millions of patients across this country. Another steep cut in reimbursement rates is now forcing many physicians who provide for Medicare patients to make difficult choices.

We only need to look at this chart, compare in 2004 Medicare payment for the various types of Medicare providers to understand the physicians' plight. Reimbursements for outpatient services up 3.8 percent. Inpatient services up 3.4 percent. Payment for inpatient rehabilitation up 3.2 percent. Likewise, payments to skilled nursing facilities up 3 percent. Then we come to our physicians, down 4.2 percent.

Interestingly, payments to all of these other providers are going up and payments to physicians are getting cut again.

Opponents to increase funding for physicians' payments often cite the high participation level in the Medicare program as evidence that physician reimbursement rates are at least adequate. True, most surgeons and doctors continue to treat some Medicare patients even as rates continue to fall. It is difficult for physicians to sever long-standing relationships with their patients. Having practiced OB-GYN for 27 years, I can tell you that the bond between doctor and patient is truly unique. It is a difficult relationship to be forced to end.

On the other hand, I would invite you to take a look at the number of physicians accepting new Medicare patients into their practices. As more and more doctors curtail the time they devote to Medicare patients, seniors and disabled patients will wait even longer to visit a specialist. Moreover, they will struggle to find physicians available for referrals for follow-up chronic care.

The problem associated with decreasing reimbursements is especially acute within the surgical community. The number of physicians who elect to practice surgery is going down. Many variables enter into a medical student's choice of speciality. Among these factors is the viability of maintaining a practice. As reimbursements decline, so too do the number of applicants wishing to pursue surgery. Never are the consequences more dire than for trauma patients in underserved areas. The inability to sufficiently staff hospitals in emergency situations is one of the ripple effects of cutting physician reimbursements.

One of the greatest achievements of the Medicare program is the access to high-quality care it has brought to the Nation's senior and disabled patients. This level of access cannot be expected to continue uninterrupted in the face of continued Medicare cuts and ballooning liability premiums.

Mr. Speaker, we must stop, we must stop the 4.2 percent Medicare physician payment cut. Help our doctors help those who need care the most. Mr. Speaker, we must not forget, we must never forget that doctors are the

linchpin of the Medicare program. It will do no good to provide a prescription benefit for our seniors, a \$400 billion plan, which I am very much in favor of, if we have no physicians willing to accept Medicare patients and write those prescriptions because of these continued Medicare payment cuts.

#### FISCAL NEW YEAR'S RESOLUTION

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

Mr. GREEN of Texas. Mr. Speaker, last week the Federal Government ushered in a new fiscal year. And as is typical with the start of the new year, we look back at the last year and examine our problems and resolve to conduct ourselves in a more prudent manner. Unfortunately, last year was witness to a long list of physical indulgences, that have wreaked havoc on our economy to the tune of a \$400 billion deficit.

The administration will tell you that this deficit is temporary. We all know that these tax cuts raise the deficit, but they will tell you that the tax cuts will actually stimulate the economy enough to grow out of our deficit problems. Unfortunately, the numbers just do not add up.

From 2001 to 2006 the average American will receive about \$3,593 in tax cuts. That seems like a pretty good chunk of change until we realize that these tax cuts increased our individual share of the national debt by \$13,000 in the same period. Any of my wife's former algebra students could tell you that it is not a good deal to get \$3,600 and in return and have to pay \$13,000. To put it another way, for each dollar we receive in tax cuts, our government is forced to borrow \$3.60 to finance them and pay for other government operations.

That is right. Other government operations, including the war on terrorism, including everything else we have, an economy that is not growing. We hear we are in recovery, but it is a jobless recovery. If you are unemployed, it is not a recovery.

Nearly one quarter of our deficit is going to finance tax cuts, and I ask my colleagues, for what? Now, I know that not all deficits can be considered indulgent. Running a deficit can actually help the economy when it pays for job growth during an economic slump or even in times of expansion, deficits may be needed to fund education or research that will contribute to future economic growth. But these tax cuts, Mr. Speaker, were excessive, and they are contributing only to the ballooning deficit that is weighing our country down.

It just does not make economic sense to try to stimulate the economy through tax cuts geared toward the wealthy who are just going to save that extra money. The money simply does not get into our economy. And to make

matters worse, instead of stimulating our economy, these tax cuts are increasing the deficit that is going to start worrying investors.

Mr. Speaker, I do not have to tell you that it is bad news when investors begin to worry. Interest rates go up, consumer spending slows, and then we are in worse shape than we found ourselves before. All the tax cuts have done is fatten the pockets of those who need it the least.

Let us take the dividend tax cut as an example. This tax cut was designed to encourage companies to increase investor dividends. Theoretically, investors would either spend the dividends or reinvest them, either option will stimulate the economy. So after the dividend tax cut was passed, City Group raised its dividend 75 percent to \$1.40. That is \$140 a year for average investor holding 100 shares of City Group stock.

But for Sandy Weill, the CEO of City Group, that is a whopping \$27 million that he will bring in annually; \$27 million, \$16 million more than he received last year without the dividend tax cut. Of course, if you take the richest man in the world, Bill Gates, the numbers start soaring.

Microsoft recently began offering a dividend of 8 cents per share. If you own 100 shares of Microsoft, you get an extra \$8 this year. With that you can buy yourself a pretty good cheeseburger and fries in Houston, but what does Bill Gates get? He gets \$82 million.

Mr. Speaker, where are our priorities. We have pressing physical needs in our country. We cannot afford to provide adequate prescription drugs for our seniors. We cannot afford to rebuild our damaged bridges and highways. According to the Defense Department, we can afford to bring our troops home for a well-deserved rest and recuperation, but we cannot afford to fly them from their point of arrival in the U.S. to their hometowns.

Over the past 3 years, we have had more than 3 million people out of work desperately looking for jobs. Yet, the central tenets of this administration's job creation program is to make tax cuts permanent, reduce government regulation, and allow companies to contribute less to their pension plans.

Moreover, this administration wants to continue the free trade policies that have, without a doubt, caused undue harm on American workers. To me this plan seems more likely to produce job insecurity than job security.

Mr. Speaker, in 3 straight years, we have had three consecutive tax cuts. These tax cuts have led to the dramatic decrease in jobs and an inconceivable increase in the debt. If tax cuts help an economy, why are we not doing so in Iraq in considering \$87 billion on top of the \$79 billion from last spring.

I thought a stimulus was supposed to work the other way around. Is it not supposed to increase jobs and decrease