

missiles that can reach the United States, and have this country instantly incinerated.

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That is not the threat. The threat is a tanker, a freighter, a truck coming across the border, or something being smuggled in some other way. But we are doing nothing to protect against that. We are going to spend the money. Why? Because the defense contractors are making a bundle, and then they turn around and give a cut to the Republicans to help keep them in the majority, just like the pharmaceutical industry I talked about earlier today.

So it is just kind of pathetic, people standing up here saying, I'm a waste-watcher, and if my party was in charge," oops, they are. "If my party had the Senate," oops, they do. "If my party had the White House," oops, they do. And you are doing nothing about it. Well, do something about it. The minority cannot stop you.

Please, do not give us that. The American people are not quite stupid enough to believe that the minority in the House, who is trampled over day in and day out, is stopping the Republicans from taking those steps. You are not even trying, because a lot of your buddies are making money on that stuff.

NEW RECORD SET BY PRESIDENT BUSH

Mr. DEFAZIO. Mr. Speaker, I came to talk about something else. I do not have much time left now, but I wanted to talk about a new record that has been set by the Bush administration.

Congratulations to George Bush and his economic team; they have set yet another record. They told us last year, if only the dollar dropped in value, well, that was all that was hurting our manufacturing. It did not have to do with their totally failed trade policies and the outsourcing of American jobs. It was just that the dollar was a little too high.

Well, the dollar dropped catastrophically. It was at a record low just a month ago, and guess what happened during that month? The U.S. ran a record trade deficit. So their theory does not seem to quite work. But we are still outsourcing jobs at a record rate. The dollar has come back a little. That might even make the deficit worse yet again. Their theories have not panned out.

We have a failed trade policy in the United States of America. We are losing our manufacturing base, our technology base. China is stealing our technology, stealing it from small companies in my district; and the Bush administration will not file a single complaint. Not one. They say, let us get China into the WTO, then they will have to follow the rules. Okay, well let us enforce the rules. Oh, no, we cannot enforce the rules.

We are not going to file complaints against China. It might upset our friends, the Chinese. Our friends the Chinese are dealing in weapons, they

are dealing with terrorists on sophisticated manned pads that can shoot down airliners, they are dealing in nuclear technology to terrorist nations. Our friends, the Chinese. The Bush administration says, if we only embrace them a little tighter, they will come around. Yeah, right, after they get all our money, all our jobs, and all our technology, they will come around?

I am just getting tired of these excuses: that if only they were in charge, they would do better. We have a failed trade policy, and what has this President proposed? More of the same.

Now, I have to admit Bill Clinton had a failed trade policy, too; but he copied his from George Bush who copied it from Ronald Reagan, and I opposed all of them as I oppose this.

Let us bring jobs back home to America. We need a new trade policy, and we need a little honesty around here instead of a bunch of whatever.

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

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

REMEMBER THE MISSION IN IRAQ

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

Mr. PEARCE. Mr. Speaker, as we consider the implications of the debate about the photographs that our news media has been putting on the front pages and on the TV screens, it is important that we begin to calm down and to take a look at what we are doing and to remember why we are in Iraq.

Frankly, as we hear the discussions about having the President impeached and the Secretary of Defense resign, it is important for us to remember that 9-11 changed everything. So soon we forget, Mr. Speaker. 9-11 is the day that innocent civilians in this country went to work in the morning expecting they would come home to their families that night. 9-11 was the day that this body convened for its normal business. 9-11 was the day soccer moms became security moms, worried about the safety of their children in the streets. And President Bush said that he would fight terror; that if you harbored a terrorist, you were a terrorist; if you funded a terrorist, you were a terrorist; if you allowed them to pass through your country, you were a terrorist. And, Mr. Speaker, he has been solid and resolute about that commitment.

No matter how despicable the acts of our soldiers in Abu Ghraib prison, they remain the actions of just a few. They do not reflect the majority opinion. They do not reflect American values,

and they do not reflect what is going on in Iraq. Because there are magnificent tales of sacrifice and commitment going on in Iraq.

For those people who wonder why the Secretary of Defense should not step down, it has not been that long ago, Mr. Speaker, that we saw Rodney King in those famous videos where members of the Los Angeles Police Department were beating him. That circumstance did not reflect the policemen in L.A. any more than our current actions reflect our soldiers in Iraq. To put it in perspective, we should have, if we want equivalent actions, have called for the Governor of California to step down.

Secretary Rumsfeld is a tremendous political and military leader. If we look at the advances and the accomplishments that have occurred, to suggest change at this point in this war begins to seem irresponsible. Al Qaeda is completely uprooted and on the move. Thousands of al Qaeda members are dead or in prison. The Taliban is gone from Afghanistan. Saddam Hussein sits in a prison cell. We have over 40 of his top officials in prison cells awaiting trial. Libya has begun to give up its weapons of mass destruction, its nuclear weapons. Pakistan worked with us on the Afghanistan border fighting terror. Worldwide, we are seeing terrorists captured and imprisoned by the network of people on the side of good and against evil.

Mr. Speaker, Secretary Rumsfeld is greatly responsible for the actions that are positive and that show that we are winning the war on terror. And to suggest that he step down is irresponsible.

But we must also consider what it is going to take to win this war on terror. It is going to take valor, valor like that of Pat Tilghman, who gave up a lucrative career to go serve his country. It is going to take sacrifice, like a young helicopter pilot from my district who died in a night crash in Afghanistan. It is going to take courage, because this is going to be a long fight, Mr. Speaker. And if we are going to run right now, I will guarantee you that we will not win this war on terror, and that every American life will be affected. And those soccer moms who became security moms will have been justified in their fears, and they will have been let down by the leadership of this country, many of whom are calling for the President to come back home and to leave that fight.

Mr. Speaker, we owe it to the people of this country and to the free people in the entire world to stand our ground and to fight and to have the resolute intent to see that this war on terror is won. Mr. Speaker, I cast my lot on the side of those people who will fight this war, who will see that liberty triumphs over tyranny and over terrorism.

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

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

A TALE OF TWO ECONOMIES

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

Mr. EMANUEL. Mr. Speaker, the past 3 years show a tale of two economies and an unprecedented redistribution of wealth in this country resulting in one economy for middle-class families and one for the special interests.

While there is a profits boom for corporations and a compensation boom for the CEOs, there is a growing wage and benefits recession for the middle class. To those who say redistribution of wealth is wrong, I agree. I say redistributing the wealth to the wealthy is wrong and bad economics.

The tale of two economies is a contrast fueled by executive compensation that too often bears no relation to performance and regressive tax policies that punish work and reward wealth, creating an upside-down economy that has shifted the tax burden from wealth to work, burdening middle-class families already facing skyrocketing health care costs, skyrocketing and rising tuition costs, job uncertainty, and retirement insecurity.

While this administration creates tax loopholes for corporate jet use and has reduced the audits of millionaires, it is auditing hundreds of thousands of people and families earning \$30,000 or less. This is the essence of class warfare. And as the famed investment adviser, Mr. Buffet, once said, "There is class warfare and my class is winning."

A report this week, recently out and reported by Bloomberg in the Chicago Tribune showed U.S. corporate profits have increased by 87 percent between the third quarter of 2001 and the end of 2003. Compensation for the average CEO got a big raise of 8.7 percent while salaried employees have seen an anemic increase of 1.5 percent. That is the lowest salary and wage growth since World War II in the beginning of an "economic boom."

Bill McDonough, the former chairman of the New York Fed, and now chairman of the Public Accounting Oversight Board, describes the gap between CEO and worker pay as "immoral." That is his quote. And the New York Fed is not a bastion of liberalism. He notes that in 1980, CEO pay was 40 times higher than the average salaried employee and now is 500 times higher. He sums it up, and I quote, "I know a lot of CEOs from 1980, and I can assure you the CEOs of 2000 are not 10 times better."

The performance of Ken Lay from Enron, Dennis Kozlowski of Tyco, and Bernie Ebbers of WorldCom bear his statement out. At every turn the administration tells us the economy is coming along. That may be true in the

executive suites and board rooms, but the other economy has created the largest income disparities in this Nation.

David Rosenberg, chief economist at Merrill Lynch, one of the leading investment banking firms on Wall Street, said, and I quote, "The income from the recovery has been locked up in the corporate sector. We have had a redistribution of income to the corporate sector."

This redistribution has been accelerated by the President's economic and tax policies. A study cited by The New York Times this week found that Americans are being taxed more than twice as heavily on earnings from work as they are on investment income, even though more than half of all investment goes to the wealthiest 5 percent of taxpayers.

While this administration has been cutting taxes, the rest of working America have been literally going from paycheck to paycheck and having a tax increase. As paychecks have often been effectively frozen for many, what has happened to their lives? Health care costs have gone up from \$6,500 for a family of four in 2001 to \$9,000 today. College tuition costs have gone up 10 percent in 2001, 10 percent in 2002, and 14 percent in 2003. \$180 billion worth of retirement securities locked in 401(k)s have lost their net value.

We have literally put a squeeze on the middle-class family, and what we have today is the end of the middle class as we know it.

As President Bush seeks reelection, he can say he kept his commitment to the top 1 percent of America. The other 99 percent has not made out quite so well. This administration has two books, two sets of values, two sets of priorities, and a single economic strategy that divides the country along class. Compared to how Americans view their futures, we cannot deny the middle-class families the same dreams of affordable health care, quality education, a safe place to live that the most fortunate in this country have today.

A government that pays no heed to the yawning gap between rich and the middle class does it at its own peril.

As Louis Brandeis, a famous Supreme Court Justice, once said, "We can either have democracy in this country or we can have great wealth concentrated in the hands of a few, but we cannot have both."

DOUBLE STANDARD

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

Mr. GARRETT of New Jersey. Mr. Speaker, I rise now to speak on a double standard. Yesterday, the world learned of a young brave man from Philadelphia named Nick Berg. Nick Berg was a 26-year-old man who was in Iraq looking for work with the recon-

struction and helping to lend a hand to the people in that country.

But a gruesome video, posted on a radical fundamentalist site, shows this young man, Nick Berg, bound in an orange jumpsuit with five hooded al Qaeda operatives standing behind him. One of those operatives read a prepared statement, pulled a large knife from his pocket, proceeded to push his head to the ground, and then with five strokes of the knife, decapitated Nick Berg and then held the head up to the camera.

I tell you, Mr. Speaker, my thoughts and my prayers go to Nick Berg's family and friends.

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I honestly cannot imagine what the family is going through right now and how they must feel, but this act by al Qaeda is a reminder of the evil we face in this world, and it should reinforce this country's determination to win this war against terror.

Yet another concern in the tragic death of Nick Berg is the lack of any forceful response and condemnation from the European nations or the Arab community over this incident.

The worldwide broadcast of the photos of Iraqi prisoners has brought forth outrage by Americans and Iraqis alike, but not surprisingly, the anti-Americans who are already on the radio exploiting that incident as an opportunity to condemn America and Americans, further promoting this double standard of which I speak. Yes, a small number of American soldiers committed crimes against Iraqi prisoners. Those soldiers should be and will be tried and punished accordingly.

However, while explaining our anger over these crimes and our will to punish these people rightfully when found appropriately guilty, calling for the resignation of a Secretary or even appearing over-apologetic for actions at the prison, I think it is a mistake and plays into the hands of the double standard.

The anti-American left, in this country and elsewhere, forever remembers every single American misdeed while forgetting every anti-American and every anti-human atrocity that the terrorists have taken against those who oppose any one of their causes.

Mr. Speaker, what of the media outlets? They detail the outrage of Iraqis based on the images of a few soldiers' crimes against prisoners. They are the same media outlets that showed no remorse, no outrage whatsoever a few years ago, for the thousands of lives that Saddam Hussein killed using his mass graves, nor when the Iraqi crowds in Fallujah burned and mutilated four American contractors and then hung their corpses from a bridge, there was no outrage or remorse.

A while back in an article, Eason Jordan from CNN, he admitted that his network had deliberately covered up and ignored Saddam Hussein's atrocities and they did that just so they