

itself, established in 1803 when Chief Justice John Marshall ruled, "It is emphatically the province and duty of the Judicial Branch to say what the law is."

The *Marbury v. Madison* case decision provides an extraordinary recognition of judicial power in a constitutional form of government. The exercise of such broad authority, expanded over time through political tradition, clearly has a growing adverse effect on the relationship between coequal arms of our national government. As judicial power expands, congressional power contracts. This is especially true when the power to interpret the Constitution rests in the hands of activist judges anxious to find the latest "right" hiding between the lines of our founding document.

Our Founding Fathers created three separate branches of government, each with equal checks and balances on the other. Our founders also ensured that each branch, including Congress, play a role in constitutional interpretation, requiring officials in each branch to take an oath to support and defend the Constitution.

The framers did not give authority to one branch over the other. Certainly each branch has its separate functions, but debating, defending, and upholding the tenets of the Constitution involve the decision and duties of each branch. As a Congress, we must change our thinking and reaffirm our authority to interpret constitutional issues in concert with, and independent from, the courts.

The framers of the Constitution were advocates of serious debate who believed that the deliberation of the political process should always be open to the people. If the courts continue their dramatic move toward self-proclaimed interpretive power, I believe Congress, as the people's branch of representative government, should take steps to ensure equal balance and authority to check the final results.

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I am introducing legislation today to address these serious, pressing issues in a direct and forceful manner. The bill that I have authored, if enacted, will allow Congress, by a two-thirds majority of each House, to reverse a judgment of the Supreme Court. This additional check may only be enforced on rulings concerning the constitutionality of an act of Congress following the enactment of this bill.

In his first Inaugural Address, Abraham Lincoln warned, "The candid citizen must confess that if the policy of the government upon vital questions affecting the whole people is to irrevocably fixed by decisions of the Supreme Court, the instant they are made, the people will have ceased to be their own rulers, having practically resigned their government into the hands of that eminent tribunal."

It is my hope that the people and the courts will see my position and recog-

nize the serious problems arising from this growing imbalance of constitutional authority. I urge my colleagues from both sides of the aisle to redress judicial activism, protect the equal dignity of this governing body, and preserve the majority will of the governed by supporting this legislation.

The SPEAKER pro tempore (Mrs. BLACKBURN). 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.)

#### HONORING THOMAS RUTECKI

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

Mrs. BIGGERT. Madam Speaker, I rise today to honor one of our fellow citizens, Thomas Rutecki, who displayed an act of great courage when he put himself in harm's way to save the life of another.

His story reads like a scene from a movie. From a distance, a passerby sees a woman in a motorized scooter. One wheel has become lodged in the train tracks. He walks on to the tracks to help her, when, all of a sudden, the warning lights at the train crossing begin to flash.

Seeing the lights from an Amtrak train barreling down on them, he frantically tries to dislodge the wheel of the scooter. Unable to free the motorized scooter from the tracks, he picks her up and shields her with his leather coat, only inches from the track, leaving only 5 seconds until the train shatters the motorized vehicle.

A daring scene from a movie? No, it was just what occurred on Tuesday, March 2, in my district in downtown Downers Grove, Illinois. Thomas Rutecki, a Navy veteran, risked his own life to save the life of Rosetta Wiedemann, a wheelchair-bound blind woman on her way to a local deli to buy a loaf of bread.

Not concerned with his own safety, he placed his life in the path of a high-speed train to save the life of another. It was an act of utter selflessness and heroism.

I would like to honor this hero today. He may be retired from the Navy, but he continues to honor all of us with his kind and selfless act of bravery. Our hats are off to you, Thomas Rutecki.

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

(Mr. FILNER 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 gentle-

woman from Texas (Ms. JACKSON-LEE) is recognized for 5 minutes.

(Ms. JACKSON-LEE of Texas 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 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.)

#### UNEMPLOYMENT: A SERIOUS ECONOMIC AND SOCIAL PROBLEM FACING THE COUNTRY

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 2003, the gentleman from Massachusetts (Mr. FRANK) is recognized for 60 minutes as the designee of the minority leader.

Mr. FRANK of Massachusetts. Madam Speaker, I am here to talk about a very serious economic and, therefore, social problem facing the country. We talk about the unemployment statistics, we talk about the ebb and flow in the job market, and the particulars are important. But by now we have enough evidence over the past several years so that we should be focusing not on month-by-month figures, but on what appears to be a very significant change in the nature of our economy. Indeed, I think we may be at a major inflection point.

I hope I am too pessimistic. I hope tomorrow there are going to be figures that show much greater growth in employment than we have seen. But even a good one month is not going to undo the problem we are facing.

Here is the problem: we have had a recovery from a recession over the past couple of years. In 2003 in particular, in the third quarter we had very significant growth, aided by a series of government programs and the natural cyclical rebound from a period of slowdown, and we had growth in the fourth quarter. What we have not seen is the growth in employment that ordinarily accompanies this degree of economic recovery.

In short, it appears from a variety of indicia that we are at a point where the ability of the private sector in this country to create wealth is now outstripping its ability to create jobs. The normal rule of thumb by which a certain increase in the gross domestic product would produce a concomitant increase in jobs, it does not appear to apply.

By the way, among those who were misled by the assumption that the normal rules would apply are the leading economic officials of the Bush administration. For example, in October of last year, Secretary of Treasury Snow said, "I am confident that this economic recovery will now be sustained and will

produce loads of new jobs. Everything we know about economics indicates that the sort of economic growth expected for next year, 3.8 to 4 percent, will translate into 2 million new jobs from the third quarter of this year to the third quarter of next year. That is an average of 200,000 new jobs a month."

Well, we have had 4 months of experience since the Secretary told us we would get 200,000 new jobs a month. We have gotten less than 40 percent of that. In a period in which his reading of the rule of thumb said there would be 800,000 new jobs, we have gotten 300,000.

Similarly, interestingly, we then got from the Council of Economic Advisors and the President's economic report a projection that we would get in this calendar year 2.6 million new jobs, more than 200,000 a month. Shortly after that projection was made, it was repudiated by, guess who? The very same Secretary of the Treasury who had predicted the 200,000 a year. He and the Secretary of Commerce were sent out to do that. Then the President distanced himself from it. We use that word in Washington a lot, you "distance" yourself from it. That means you deny it.

Then the chairman of the Council of Economic Advisors, Mr. Mankiw, himself repudiated his own estimate. Here is what is significant. People make mistakes, but his explanation was interesting. On February 17 at the National Economists Club, asked about the job forecast of 2.6 million jobs, which had by then been abandoned by everybody, including himself, his response was, "That particular forecast was made in early December, and we have seen more data since then."

Now, he went on to say he still hoped for more jobs, but his explanation of why the 2.6 was now inoperative is very simple: that forecast was made in early December; we have seen more data since then.

In other words, last fall both the Secretary of the Treasury and the Chairman of the Council of Economic Advisors were going under the old rule that said a certain amount of increase in the GDP, you will get a certain number of jobs. And that turns out, sadly, to have been wrong.

We are in a situation in which the ability of the private sector to create wealth is now leaving behind its ability to create jobs.

By the way, we got further confirmation of that from Alan Greenspan. On February 11, testifying before the House Committee on Financial Services, he was asked what we could expect with regard to unemployment. Our colleague, the gentlewoman from New York (Mrs. MALONEY), asked him, what about unemployment going down? His answer in effect was only if productivity drops.

To quote specifically, asked if the 2.6 million jobs, which, of course, had already been abandoned by the adminis-

tration, was credible, he said, "It is a credible forecast, if the rate of productivity slows down to a more historical average." He later said he did not expect productivity to slow down.

In other words, he joins the Secretary of Treasury and the Chairman of the Council of Economic Advisors in telling us we are not going to get the job growth they had earlier predicted, hoped, wished for, et cetera. But understand the explanation: we will only get a significant drop in unemployment, we will only get the historic drop that we can expect in unemployment, if productivity goes down.

What an unfortunate situation. After all, an increase in productivity is good news. In the economic sphere, it is one of the goals of civilization, to be able to produce more with less; more leisure, less effort. Increased productivity ought to be a good thing. But people who are now unemployed listening to Mr. Greenspan are forced to root against productivity. He tells them that if productivity continues to rise at a higher than historically average rate, that the chances of their getting jobs goes down.

That is where we are today. For a variety of reasons, we have a situation in which increased wealth has been somewhat disconnected from increased jobs; not entirely, but the connection has been loosened.

Another way to put that is this: a disproportionately large share of the increased wealth in this society is now going to the owners of capital. Our usual rules of shared increases in wealth have broken down, and people who work for others are getting a smaller share compared to those who own capital.

By the way, we see this not just in unemployment. Partly because of the increase in unemployment and what that does to the labor market, et cetera, we have a situation in which not only has unemployment stayed higher than historically we had hoped, but wage growth has been below the norm.

The Economic Policy Institute has a very interesting chart which shows the real growth in wages and salaries in the past six recessions, 2 years after the recession ended. Here are the increases in real growth in wages and salaries: 10 percent; 12 percent; 9 percent; 11 percent; 3.6 percent; and, in the current period, in the period since this recession was officially declared over by the National Bureau of Economic Research, 0.4 percent. In other words, virtually no growth in real wages.

Last year, in fact, in another calculation that is presented by the Economic Policy Institute, although it is not controversial, these are basic figures, last year, the year in which we had some real growth, 6 months of last year, after all, were great in terms of overall growth, real wages dropped, median earnings went up 2 percent; but inflation went up 2.3 percent.

In other words, during that period of great growth, not only did our unem-

ployment stay higher than it should have been; real wages did not go up. In fact they went marginally down for people employed. In fact, over the last 2 years, the total increase in median wages here is 3.8 percent. Inflation is 3.9 percent and wage growth is 3.8 percent. So over a 2-year period, 2002 and 2003, there was marginal erosion in real wages.

It is not simply that unemployment has stayed up and real wages have lagged. Health insurance is another area where we have serious problems. In the period from 2000 to 2002, the number of people who were receiving health insurance from private employers dropped by 2.8 million. The number of people with health insurance went up, but it went up because the government sector, Medicare and Medicaid, made up for the erosion in the private sector.

The private sector's profits have gone way up. They are very high. Compensation at the upper levels, the top 1 percent, they are very good. But unemployment, employer-covered health benefits, real wages, are all lagging badly. And while I do not have the statistics on this right in front of me, what we know about health insurance is not only are more people losing privately paid for health insurance; many of those who keep it, keep it by paying a larger percentage of it. Health costs go up, and to the working person it is a double whammy, because they pay, in many cases, a higher percentage of a higher overall cost.

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This is the problem then. We are at a situation in which as growth goes forward, and that is a good thing that growth is going forward. It was to be expected and hoped for. We were in a recession. We also have had conscious government policy promoting growth. We have the largest budget deficit, and as we know now, the Republican administration has implicitly become cagey in this regard and they argue that this kind of stimulus that comes from a very large deficit is a good idea, although they continue deficits long after we hope we will need stimulus. You have the lowest real interest rates in memory by the feds.

So everything the Federal Government can do in monetary and fiscal policy to stimulate the economy has been done. Not surprising that given that we start in the recession and you have maximum fiscal and monetary stimulus you get some growth. It is disappointing we have not gotten more. It is a little bit like buying a new car, jumping on the accelerator, and getting it up to 50. It is good for your staying in the speed limit, but it does not say a lot for the engine.

But the discouraging thing is that with maximum stimulus, fiscal and monetary, from the Federal Government, we are seeing no growth in real wages over 2 years, a slight erosion last year, people losing health care on the

whole from private employers and paying more for what they get, and unemployment staying too high.

What do we do about it? First of all, we have to analyze the causes. Some of the causes are inherent in the nature of the economy. Productivity does have the effect of allowing us to do more with less, particularly when you are coming out of a recession and people are reluctant to hire. There are also international trends which no matter what we try to do will be somewhat erosive of the position of some workers in this country. But this situation in which almost all of the benefits of growth are going to the owners of capital would not exist without conscious public policies that promote it.

Public policy in my view, and I will get to specifics, ought to be leaning against the increased inequality that the private sector is creating.

Madam Speaker, let me give you my philosophy. I am a capitalist. I believe the free enterprise system is the best way to create wealth. That means I welcome some inequality in the system. If you do not have inequality, if people are not unequally rewarded for their skills, for their energy, for their correct guesses or intuitions about what the public will want, then the system does not work. But I also believe that left entirely to its own, as I thought we had decided as a country with Franklin Roosevelt, more inequality will be generated than is either socially healthy or economically necessary.

I know there are some conservatives that say, well, that is just the politics of envy. Inequality is unimportant. The only thing that counts is the absolute level. Let me quote what they feel may be an unlikely source in the defense of my argument. It is Mr. Greenspan on the same day he testified February 11. He volunteered that he agreed that, well, let me read it exactly.

I had spoken earlier about my concern about increased inequality and he volunteered, "I happen to agree with Congressman Frank that it is very important in this country not only to have an equitable society but to have it perceived as being inequitable because no democratic system can function unless the people believe it is inequitable. And I think that it is crucially important for us to reduce the income inequality in this country."

Now, he goes on to say that he thinks a major way to do that is through community colleges. I am a strong supporter of community colleges, which do a wonderful job. I think Chairman Greenspan imposes on them too much of the burden. But regardless of our disagreement about how you deal with inequality, I welcome his statement. Let me quote it again.

"It is crucially important for us to reduce the income inequality in this country."

The problem is public policy has gone the other way. It has exacerbated it. How has it done that? First by changes in the Tax Code.

When President Clinton asked this Congress in 1993 to increase taxes it was predominantly, overwhelmingly on people making incomes of \$100,000 and above and that was 10 years ago. Mostly on people making more than \$150,000. For the first time, according to the Congressional Budget Office, that tax bill made the tax system somewhat more progressive. It meant that wealthier people paid more than they have been paying and lower income people less in terms of shares given their income.

President Bush has succeeded in persuading this Congress on several occasions to reduce taxes predominantly, overwhelmingly on wealthy people. The administration has said the goal is to reduce virtually all taxes on capital.

Ownership will pay no taxes. Ownership will get the benefits of the increased wealth but pay none of the taxes. So the Tax Code is one of the reasons we have increased inequality. Another is the systematic attack that has been made on labor unions.

Labor unions have played a very important part in this country in helping middle income, moderate income working people gain some share of income. There has been a consistent assault on them from this Congress and from the President.

Madam Speaker, I would not have thought that so many years, 70 years almost, after the passage of the Fair Labor Standards Act in the New Deal that overtime for people who work by the hour would be a controversial situation. But this administration, with the acquiescence of the Congressional leadership, is allowing overtime to be cut back. So we weaken what instruments are out there to help working people. We change the Tax Code in ways that promote inequality. We pursue an international economic policy which maximizes the extent to which globalization undermines income shares in this country.

I was pleased to be at Davos, Switzerland, at the economic conference. One of the moderators of a panel I was at on inequality, because the people who run that conference agree with Chairman Greenspan and myself that inequality is in and of itself a bad thing. It needs to be addressed. The moderator made a good point. He said, there are two kinds of inequality we have to address. There is inequality between countries and then there is inequality within countries.

The defense that we have heard of international trade, much of which I agree with, has focused exclusively on diminishing inequality between countries. That is a good thing. I want to help poor people elsewhere. But this administration has in a determined way pursued that international economic policy and justified it as helping to deal with poverty elsewhere. But they have done it in ways that have exacerbated inequality within countries, within our own country and within others.

International trade that basically says, you know what, labor regulations and occupational safety and health regulations and environmental regulations, they are an interference with the function of capital. Therefore, let us tell other countries that we will put no pressure on them to deal with any of those things, and then let us use the absence of those things as a lever to reduce them in our own country.

Understand, it is not as the conservatives here believe that there is no comparative impact of differential environmental policies. Indeed, when President Bush explains why he is against doing anything about global warming, certainly against the Kyoto Treaty, explicitly he and members of the administration say we cannot join that treaty with global warming because China and India are exempt from it and that will make a competitive disadvantage for our people.

Of course, his Chairman of Economic Advisers will tell him that you go over that by outsourcing to China and India. That is a good thing. And he should not have to worry. But the President does not go quite that far.

Some of us say, you are right. The fact that they have no environmental rules and we have some does exacerbate our competitive disadvantage. Let us try to get them to do some environmental things.

No one I know of says that the wage level, the minimum wages or the working conditions ought to be the same in the poorest countries of the world as in the U.S. No one is arguing that. That is a straw man.

What we are saying is they should not go standardless. There should be the core labor principles of the International Labor Organization: The right to bargain collectively, the right to form unions, the right to begin to organize as American workers did. Had there never been unions and Franklin Roosevelt had not gotten passed the National Labor Relations Act, we would not have had the kind of middle class that we had in America of which we now boast. They did not do it all by themselves. They were an integral part of it.

At any rate, what this administration wants to do is follow an international economic policy that is further erosive of the ability of working people in this country to maintain some gains because they subject them to maximum competition from others who do not have that. Obviously, there are different wage levels. There are jobs that will go overseas purely economically. That should not be enhanced by an undeserved advantage because there are no unions, because there is child labor, because there are no environmental rules, because there is no concern for occupational safety. That is, yes, comparative advantage in economic terms has a lot to be said for it, but adding to that differential public policies, not only is it in itself bad but it becomes the premise then to

come back home and try and dismantle it.

American workers are told two things by this administration. One, we are not going to try to encourage other countries to require them if they want access to our markets. The American markets are the greatest thing in the history of the world. People want our capital. They want access to our markets. We have a right to condition that on reasonable legislation and regulation that meets minimum standards of civility.

Instead, what we are told is you come here and we will not require of you anything that is protective of those basic human rights. And then American workers will be told by their workers, you know, I am competing with people who do not have unions. I am competing with people who do not have to put up with this occupational stuff so I have got to cut you back. And let us throw in here the very serious problem of health care.

I note on the floor my colleague from the State of Washington (Mr. McDERMOTT), who has been one of the leaders in this Congress in trying to get a sensible health care system in, one of the things that has contributed to the difficulties that American workers face is our system of tying your health care to your place of employment. That has serious negative consequences. And today as the forces I have been talking about have eroded the ability of working people to defend themselves, we are seeing this in the health care area.

Remember, fewer people today, in the millions, have employer-generated health care and many of those who do have health care that costs them more. Fewer people, and they are paying more for it.

So those are some of the ways in which public policy makes the situation worse. As I said, I accept the fact of inequality. I just do not accept that it is a good thing. It makes the system work. But the role of government ought to be to contain inequality, not promote it, and that is what we have.

Let me talk about why I think inequality is a bad thing. It is nice to be able to cite Chairman Greenspan, but to be honest I do not agree with him on cutting Social Security or a few other things so I should not just rely on that citation.

I think it is a moral issue, a situation in which people receive millions, tens of millions of dollars in bonuses, a situation in which profits go higher and higher and the market is now doing well and we are all glad to see that, a situation in which the owners of capital find their wealth enhanced, but working people lose their health care, people are unemployed, children do not have adequate housing and other necessities. That is morally unacceptable to me.

But I understand, Madam Speaker, particularly in this particular Congress, the moral argument will only

take you so far. When I argue that we should deal with inequality because it is immoral I am reminded of what Adlai Stevenson once said when someone said to him, Governor, you have got the votes of all the thinking people. And he said, well, yes, but the problem is that I need a majority.

Of course it was his penchant for making remarks like that that helped him in getting a majority. But I think there is a strong moral argument here, but I need a majority so I will not rely only on that.

There are two other reasons for helping us reduce inequality, helping us reverse it. Let me just repeat this because I think we have not fully focused on that. We talk about unemployment in a kind of isolation. We talk about other things in isolation. There is an overall picture here. The overall picture is that the private sector is creating wealth and exacerbating inequality at the same time. It is creating wealth without creating an adequate number of jobs. It is eroding health care. It is preventing real wages from going up so that profits are going up much more rapidly than real wages.

Essentially, we have a combination of economic factors and technological factors and public policies, which mean that a disproportionately large share, nearly all of the increased wealth we are producing, goes to the owners of capital and virtually none to the people who do not own a huge amount of capital and get their compensation from the work they do every day.

Now, as I said, I think that is morally flawed. That is why I am in politics, to try and reduce inequality without reducing it to the point where it interferes with inefficiency. And we are, of course, nowhere remotely near that.

But let me give two other self-interested reasons. First is a political one. I read recently that the Republican leadership has decided that they probably better not put the Central American Free Trade Treaty up.

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I have disagreed with the trade treaties that have come forward for reasons that I have said. I think globalization is a necessary thing. It is a fact of life, and it can be a good thing if it is done well. It is important for us to try to reduce poverty elsewhere: good morally, good politically, good practically.

I never liked the particular trade treaties. So I am talking now to the people who do. There are people out there who think that getting more trade treaties through is, in fact, important for the economy. There are people who believe that continuing to allow businesses to rationalize their workforces, rationalize means cut, that that is a good thing.

What do you see today? You see great opposition to the trade treaties. They are afraid to bring any up here, for good reasons. They would probably lose. They have Republicans saying to

them, please, I have enough problems that you have created for me; I do not need to vote for trade treaties when there is this terrible problem about unemployment.

You are going to see legislation adopted, you do not have to be a genius to predict this, which says if you are going to get government money in this contract, you cannot outsource, because outsourcing has bothered people. Ten or 15 years ago, I was representing an area that had a large textile and trade employment base, and we were told, well, stop worrying about that, these people should understand. That is not a good job for an American. We will retrain them.

Well, first of all, the extent to which you were going to retrain some 49- or 53-year-old with a high school education was limited in terms of its appeal to them; but even to the extent that you were retraining, let us note that the jobs that I was being told 15 years ago, for which we would retrain people, we would not only now have to retrain them, we would have to buy them airplane tickets because they are going out of the country. The jobs being outsourced today are the jobs for which we had been told we should retrain people.

I do not think the answer is just to stop this. I do not think you can say, all right, we do not want any more of this going on in the economy. I understand the importance of economic transition, although I believe that we are failing in our responsibility to manage that transition.

What I will point out now is this: precisely because of the public policies that have exacerbated inequality, what you have done, those of you who have promulgated those policies in the administration and the congressional leadership, in the business community, in the intellectual circles that reinforce them, you are increasingly persuading the American people that they have no skin in this game of economics, that they will not benefit from this increased wealth. So when you say to them, do this, it is in your long-term interest, they turn against you.

So precisely out of self-interest, those who believe that increased trade and the ability to outsource and flexibility in the labor market, if you believe those things, understand that the policies that you have supported in the short-term and the consequences of that have built up a resistance you cannot overcome. Those people who believe in increasing the ability of capital to find its own level are going to find they are going to have the worst year they have had this year than they have had in a very long time because they have convinced most Americans that it is not in their interests.

I talk about this with Mr. Greenspan when he testifies. He will cite in his speeches and elsewhere a very eminent deceased economist, Joseph Schumpeter. In his great book, "Capitalism, Socialism and Democracy," he

talked about creative destruction. He said, you know, he did not say you know. He was an illustrian, much more formal than me. Than I. He would not say than me either. Joseph Schumpeter said, when you destroy old economic entities because they are outdated, new ones will be created out of the resources freed up. That is what he means by creative destruction, Mr. Greenspan. As old economic activity is outdated, that frees up people and resources for new economic activity; and Mr. Greenspan is prone to say to people, I understand you are losing your job and that is a problem, but in the long run this will be good because out of this will come this new stuff.

Well, as I have told Mr. Greenspan, there is another economist whom people believe much more instinctively, John Maynard Keynes, because if you listen closely to the Bush administration and some of the conservatives here, a lot of Keynes-ism has sneaked in as they tried to justify the world's largest deficits by short-term budget terms.

Keynes also said something very smart politically: in the long run we shall all be dead. People understand that. Telling some 45-year-old worker with a couple of children that he or she should not despair at losing the job that he or she has had for 20 years because out of the loss of his or her job new jobs will be created at some point in the future, which he or she probably will not get, does not help them. They are resistant.

So people should understand, one of the prices they are paying for enhancing inequality, encouraging it, is that you have persuaded most Americans, an increasing number of Americans, it may yet be most, but it is certainly a lot, they are immune to your argument that this is good for the economy and the country. I do not think that is healthy. I do not agree with necessarily every one of those specific policies, but I do not think we ought to have this angry public resistance to overall growth; but you have built it up, and we need to tell you how you can undo it.

Now, there is another reason why this is not good economically. One of the private sector economists, Stephen Roach, who has done a good job of documenting the fact that we are at an inflection point, that we are in a situation in which we simply are not getting the job growth we thought historically we would get, well, let me just quote him: In my view, the income leakages of imported productivity, that is, when you send the jobs overseas, et cetera, that is imported productivity, the income leakages of imported productivity raise serious questions about the sustainability of this recovery from an economic point of view.

What you are saying is this, the economy is sustained to some extent by its own momentum. One of the things that helps you grow is the income that is generated by that growth.

There is a beneficial cycle that we call it. You are not getting that now because as the profits grow and wealth grows, but real incomes of most of the people do not grow, there is a missing element in the economy. Short term, we are not hurting; but there is a very real prospect that this increased inequality will stunt our economic growth. In other words, the situation in which growth is great but all of the benefits of growth go to a handful is not long-term sustainable. So, once again, even those who do not mind the increased inequality do not understand they are building in a difficult situation.

Wage and salary disbursements, Mr. Roach points out, are basically unchanged in real terms fully 21 months into this recovery. By contrast, at this juncture in the past six upturns, real-wage income has been up on average by about 9 percent. Absent other sources of support, this shortfall of internally driven income generation could end up spelling serious trouble for the overly indebted, saving-short American consumer. Let me read that a little more sensibly, for the overly indebted, saving-short American consumer. In short, there is a good reason to doubt the sustainability of a recovery built on a foundation of imported productivity.

In other words, when you create wealth and some of it goes, most of it, to the owners of capital and some of it goes to people outside our economy, you are not doing the kind of self-sustaining recycling of economic activity that you need. So that is where we are.

We are at a situation, as I said, which seems to me an inflection point. The normal rules by which a certain amount of economic activity in the country will produce a certain amount of jobs, that has been eroded; and as we have seen high profits, we have seen a fall-off in real wages. We have seen a fall-off in the private sector provision of health insurance which is supposedly the major way we do it. We have seen unemployment staying above where it should be. We have seen profits do very well. We have seen the market go up. We have seen upper income compensation stay up. We have seen the Tax Code change in ways that unfortunately reinforced that.

Well, it is fair to say at this point, okay, what do you do about it, because conclusions are not always easy. Some things we can do. When it comes to inequality in the society, there is, of course, the story about a man who goes to the doctor and says, Doctor, when I hold my arm this way it hurts, and the doctor looks and looks and cannot find anything wrong, and he says, okay, I know what to do. He says what? Do not hold your arm that way.

I mean, to a certain extent, you can remedy something by simply not continuing to do it. We can stop changing the Tax Code in ways that exacerbate inequality. We can stop encouraging owners of capital to find ways, with tax help in some cases, to export jobs and

import productivity. We can stop weakening labor unions, stop eroding the ability of working men and women to stand up for themselves; but we can go beyond that.

First, with regard to international trade, and I do not want to stop it, not anybody does, but we have a group here, one of the leaders intellectually is the gentleman from Michigan (Mr. LEVIN), who is the senior Democrat on the Subcommittee on Trade, and a lot of us have worked with him, we do not want to block trade, but we want to deal both with income inequality between countries and income inequality within countries. We do not want the one to be exacerbating the other.

We do not expect other countries to have the same wages and environmental and occupational health policies we do, but we do not think they should have none either. We think they ought to be encouraged to level up some, and it will not stop trade; but it will diminish the depths of the comparative disadvantage and make it a more legitimate one.

We can, as I said, even change the Tax Code to make it even more progressive. I think it is entirely legitimate for this government to say, by the way, where the government, where the people, through their taxes, are paying for jobs, we do not want you outsourcing them. Even if it costs us a little bit more, we believe that the value to this society of not having that source of income in jobs lost is worth it. So I think restrictions in outsourcing will help.

But there is one other thing I want to address in particular here. It is one that I think I and many Democrats have not been sufficiently explicit about.

One of the important sources of relief here is government. I know it is very fashionable to bash government. From the platform just behind me, President Clinton, with whom I was usually in agreement, made a big thing of saying the era of Big Government is over. Well, in worldwide comparative terms, the era of Big Government never really got started here, and our problem today is too little government. Of course, we want government to be sensible. We do not want excessive regulation. I have supported many of the deregulations, but there is a role for government today that we are ignoring.

I mentioned as an example health care, and I pointed out that health insurance coming from private employers has dropped. The only reason that health insurance in the country as a whole has not dropped is we have taken up that slack through government, through Medicaid, through Medicare. People tell us, well, government medicine is terrible.

In my experience, the most popular form of medicine in America is that which is delivered through the Veterans Affairs Department; and anybody who tells World War II veterans, average age of 80 or so, that they are not

going to get their VA medicine any more better be ready for World War IIA because they are going to be very angry at you.

In fact, we have relied on government to plug part of the gap that is increasingly left in the provision of health care by the private sector, and I am for those as stopgaps; but we would be much better off following the lead of my colleague who I have referred to earlier from Seattle, the gentleman from Washington (Mr. McDERMOTT), and let us do this in a systematic way.

We need more of a government role in health care, and breaking the nexus between your private job and health care makes sense from every perspective. It would remove a disadvantage from some American businesses, and I would say this to Mr. Greenspan and others who preach patience to those who are losing their jobs to these trends. It is one thing to lose your job, get unemployment for a while. We will get to that in a minute, maybe get another job. Increasingly, though, the jobs you lose had some health benefits and the jobs you get do not.

One of the things that people who kind of blithely tell people do not worry about it, creative destruction, you will be okay in the long run, maybe not blithely, maybe that is unfair, but who tell people just buck up, they do not understand the terror and horrors of losing health care. As long as Americans who lose their jobs are told they are also losing their health care, they are resistant to what is euphemistically called labor flexibility and will understandably and legitimately be very tough.

Let us begin by providing health care to every American whether or not he or she is employed and regardless of where he or she is employed, and you will reduce a lot of the resistance and a lot of the pain that comes from these transitions.

I do not think we should try to stop economic transitions, and I do not think we can; but it is our responsibility as public sector people, as the private sector undergoes these transitions, to manage them better, to ease the pain of the victims of the transition, to use some of the wealth generated by this increased productivity, by this labor flexibility, by this rationalization and globalization. Let us use some of the wealth not simply to go to the pockets of those who own but to deal with the social problems generated by that very transition.

Government also has a major role here in the job area. People then say, okay, what are you going to do about the jobs? Here is the way I would conceptualize it.

We are now, as I said, in a situation where the private sector produces more wealth than jobs. I believe we should take a percentage of that increased wealth, a fairly small percentage, certainly nothing that is going to interfere with incentive, and use it together, the people coming together to

employ people on socially useful purposes. Yes, we got some boosts from tax cuts last year during the recession. I think we would have gotten a better boost economically and socially if we had given more to the cities and States and municipal governments. They added to the unemployment problem, not willfully. They hated to do.

□ 1415

But for a variety of reasons, as we were trying to get the private sector to add jobs, we were involved in policies that cost jobs at the local level. Had we instead given tens of billions more to the local governments and State governments, we would have had better economic stimulus.

You know, nobody will have a propensity to spend, in economic terms, as high as a city government that is stressed and needs to provide services. That is especially the case when we talk about homeland security. There are things in our society which are partly public and some that are largely private. Some are entirely private in terms of what we want done. Homeland security is pretty much a public sector activity. It does not make any sense to talk about how we are enhancing homeland security and then beat up government and boast about reducing government. Police officers, firefighters, ambulance drivers, public health workers, and public works people, who are going to have to repair damages, these are public sector people.

The point is this: One of the ways we can deal with the inability of the private sector to produce the level of jobs we had hoped it would produce, and again I want to note John Snow and Gregory Mankiw, leaders of this administration's economic policy, in effect both admitted that last year they predicted many, many more jobs than are being created in the private sector because they thought the old rules applied, and it is now clear the old rules do not apply. So, what do we do? Well, one of the things we can do is to recognize that the public sector can in fact take up some of that slack, that some of the wealth we create through our increased productivity, et cetera, can usefully be sent to cities and States, and to others as well.

We are now underfunding the Environmental Protection Administration. We have Superfund sites, the worst environmentally blighted sites in this country, that are going to go untended because there is not enough money in the Federal Government to take care of them.

The Bush administration finds itself being criticized by veterans through an inadequacy of the government. Secretary Principi, a man of great courage, acknowledged he got \$1.8 billion less in the budget this year than he thought he needed. I do not believe the President dislikes veterans. I do not believe this administration set out to say, I have a good idea, in an election

year let us really aggravate the veterans. They are driven to it because, thanks to their policies, there is not enough money to meet our basic needs.

If we were to take some part of the private sector wealth that is now going almost exclusively to the owners of capital and put it in the hands of government, Federal, State, and local, we would have more police officers, we would have more Environmental Protection Administration cleanups, we would have better public transportation and trains, we would have more medical care, we could deal with the terrible housing crisis that we have. And I know to the Republican leadership this might sound like a revolutionary bill, but we might even pass a highway bill. That seems to be beyond their means. Why? Because there is not enough money.

I just wrote an article for one of my papers, and I said I know you hear a lot of discussions in the abstract about the size of government, but let me make it concrete for you, and I mean literally concrete. I am not a big fan of metaphors. Under the proposed public works bill that the chairman of the Committee on Transportation and Infrastructure wanted, I would have gotten so much money for a major highway project important both to the public safety and the public convenience and the economic development of a major city in my district, the City of Taunton. Under the Bush plan we would get one-third less. Now, this is highway money that is, I am told by the business community, important to the economic future of the area.

This is a clear point here. We now have the acknowledgment of the Chairman of the Council on Economic Advisers and the Secretary of the Treasury and the President that the private sector cannot produce enough by way of jobs to meet our needs. Wages are eroding in part because as there is higher unemployment, the pressure on wages is higher. Medical care gets cut back to the extent that we rely on the private sector.

We will remain a private sector economy. We should welcome productivity. We are in a situation, just to sum up, in which the good becomes the bad. Greenspan tells us we are not going to get a reduction in unemployment unless you see a slowdown in productivity. What a topsy-turvy world in which people have to root for less productivity. That is the result of bad public policy. This is not a force of nature. It is not the case that good productivity ought to mean bad social policy. It is because we have a bad set of public arrangements.

One way to change that is to take some of the wealth which is being created by this wonderful thing, this increased productivity, this new technology and the ways of using it, and all this innovation, and let us use it for our own undisputed public purposes. Let us give cities and States more money so they can have more people

policing, fighting fires, cleaning up the environment, repairing facilities that need to be repaired, enhancing train transportation, building highways, helping construct affordable housing in places where that is a crisis, helping pay for higher education for students.

Chairman Greenspan said it is education, but we have a situation now where if you are not wealthy then you cannot pay for the kind of public education that maybe you ought to be getting. You have to sacrifice too much for it. Let us use some of this wealth.

And, again, the choice is this: We are talking about more wealth going to the wealthiest. And I know there are two aspects of the administration's justification for its tax bill, a supply side and a demand side. The demand side says we are in a recession, we need to spend our way out of it to some extent or we need to create a deficit so the Federal Government is spending more than it is taking in. Good Keynesian economics. Good for Keynes in the 1930s, good for Bush in the year 2003. That is what we did.

But that was only a small part of the tax relief. A very small percentage of the tax relief came in the form of that demand stimulus. The great bulk of the tax relief, some of which is yet to come, some of which has begun to happen, is a supply side tax cut. Supply side tax cuts do not try to increase money in people's hands to spend. They say if we will tax rich people less, they will do us the favor of working more. And that is what we have got. If we tell people when they die and they have \$8 billion the people who inherited from them will not have to pay a penny of taxes on it, then they will accumulate more. That is their argument.

I do not think there is much to the supply side argument at all. It is certainly unproven. And certainly it is the case that trying to justify a very large chunk of supply side justified taxes by the success of a smaller amount of demand side taxes has a total disconnect there. I think if we were to take some of the revenue that is now set aside to persuade the rich, the very rich to work harder to the benefit of all of us, though we have not yet seen that benefit, if we were instead to make that available for undisputed, noncontroversial public purposes, public safety, environmental cleanup, highway construction, public health, if we were to do that, it is a situation of multiple benefit. The public purposes are accomplished and there are people employed.

We are talking now to some extent about the New Deal philosophy. But we are not talking about leaf raking. We are talking about very real needs. And, of course, it was not just leaf raking in the New Deal. A lot of very important things were built by the Works Progress Administration and even the Public Works Administration. But we are talking now about unmet needs in this society. In virtually every area where we come together: In education, where we underfund the No Child Left

Behind Act; in the environment, where we are leaving Superfund sites untended; in veterans affairs, where the veterans legitimately complain about cutbacks; in highways, where the chairman of the committee is told, no, you cannot have the money you think we need for this; in housing, which comes within the jurisdiction of my committee, where not only are we not building any new affordable housing, we face a crisis where nearly a million units over the next 10 or 12 years will be lost to us if we do not reverse policies.

Using some of the money that now goes overwhelmingly to the owners of capital, only some of it, leaving them still very well off, and making that available to the government, to the public, is economically and socially better. So there is a case now for taking some of that wealth and for more government. Sensible government? Yes. There are indisputable cases where this country believes, understands that we need more public spending. We now have an ability.

And that takes me finally, Mr. Speaker, obviously, to the question of the tax cuts. This is the issue before us. Do you, as the President wants, make permanent all those tax cuts, which exacerbate inequality, which enhance the situation where the owners of capital get almost all the wealth, and which does not appear to be generating the kinds of jobs and other benefits we had hoped for; or do you take a part of it and make it available to the public sector so that undeniable public needs can be met and people can be better employed?

I would just say in closing to my conservative friends, who are currently and I hope temporarily in control, you have the ability to say no to all these things. You can keep wealth-enhancing tax cuts in place, you can continue to cut back on overtime, you can continue to undermine labor unions, you can continue to pursue a trade policy that gives leverage on people to bring down rather than up any kind of protections, and you may win these battles in the short run. But you are every day increasing public resistance to what you think is necessary for overall economic policies.

So if equity is not enough, self-interest ought to persuade those at the top of the private sector, and those who represent them politically, that the time has come to recognize that we have a changed economy and to adopt public policies and reverse the trends of making inequality worse and instead diminishing so that we get both more jobs and a healthier society and a more sustainable economic recovery.

Madam Speaker, I submit for the RECORD documents supporting and relating to my special order speech.

THE EVIDENCE ON JOB CREATION, WAGES, AND HEALTH INSURANCE

Non-farm payroll employment increased by 88,000 in October 2003, by 83,000 in November 2003, by 16,000 in December 2003, and by

112,000 in February 2004. (Source: Bureau of Labor Statistics.)

Real wages has grown by 0.4% since the end of the recession in November 2001. In the five previous recessions, real wages grew by 10.7%, 12.4%, 9.2%, 11.3%, and 3.6%, by the same point in the recovery (25 months). (Source: Economic Policy Institute based on Bureau of Economic Analysis data.)

Growth in median wages in 2002 was 1.8%, compared to inflation of 1.6%. In 2003, median wage growth was 2.0%, compared to inflation of 2.3%, resulting in a decline in real median wages of 0.3%. (Source: Economic Policy Institute based on Bureau of Labor Statistics data.)

Between 2000 and 2002, employer-provided health insurance declined by 2.8 million people. (Source: Urban Institute based on Current Population Survey.)

During the past five years, health insurance premiums have increased annually by 5.3%, 8.2%, 10.9%, 12.9%, and 13.9%. (Source: Urban Institute based on KFF/HRET Survey of Employer-sponsored Health Benefits.)

HOUSE COMMITTEE ON FINANCIAL SERVICES  
HOLDS A HEARING ON FEDERAL RESERVE'S  
SEMI-ANNUAL MONETARY POLICY REPORT,  
FEBRUARY 11, 2004

GREENSPAN. The pointed issue here is that we are ending up with an inadequate ability to move skills up sufficiently quickly and this, as you point out has created a problem of excess supply versus demand amongst our lower skills and the reverse in the top. And that is something we have to address.

And I happen to agree with Congressman Frank that it is very important in this country not only to have an equitable society, but to have it perceived as being equitable, because no democratic system can function unless the people believe it is equitable.

And I think that it is crucially important for us to reduce the income inequality in this country. And I think the way that one has to do that, by any means that I can see, is through education. And I must say to you, the community colleges in this country have been in the forefront of a major change in the quality of what we are doing with respect to re-establishing skills.

MALONEY. So given what you've said today in your testimony and given the fact that you have accommodated this with a very low federal funds rate, a historically low one, and is it safe to say that you disagree with the report that came out yesterday from the Bush administration's economic policy advisers that next year, we will create 2.6 million jobs? That's what this report says. That's what the report came out.

GREENSPAN. I haven't read the specific . . .

MALONEY. Well, it says we're going to create 2.6 million jobs.

GREENSPAN. Yes. I haven't read the specific details of their forecast. My impression is that they have a significant decline in the rate of productivity advance from where it has been recently. And if you get . . .

MALONEY. Do you agree or disagree?

OXLEY. The gentelady's time has expired.  
GREENSPAN. I haven't read it. I've said to one of your colleagues earlier, it's not—it is a credible forecast if the rate of productivity slows down to a more historical average.

TRANSCRIPT, GREGORY MANKIW, NATIONAL  
ECONOMIST CLUB, FEBRUARY 17, 2004

Question. Can you comment on the job forecast?

MANKIW. The economic report of the president is forecasting a strong labor market in 2004, as many private forecasters are. That particular forecast was made in early December, and we've seen more data since then.



[From the Times Online, Oct. 20, 2003]

SNOW BOASTS SPRING HAS SPRUNG FOR US  
ECONOMY

(By Anatole Kaletsky)

This July, when I first interviewed John Snow in London, the world economy was just beginning to emerge from the trauma of the Iraq war but the US Treasury Secretary was in ebullient form. The US economy, he insisted, was on the verge of a spectacular recovery from the three-year malaise that began with the collapse of technology stocks on Wall Street and was aggravated by the horror of September 11.

The American economy, he maintained, was "coiled like a spring and ready to go".

This remark was widely quoted in the media and greeted with skepticism, bordering on derision. Three months later, as I met Mr. Snow again in his Washington office, he was entitled to gloat.

"The spring has now sprung," he declared as our conversation started. "I am confident that this economic recovery will now be sustained and will produce loads of new jobs. Everything we know about economics indicates that the sort of economic growth expected for next year, 3.8 to 4 per cent, will translate into two million new jobs from the third quarter of this year to the third quarter of next year. That's an average of about 200,000 new jobs a month."

With a US election approaching, the figures he mentioned were significant in political as well as economic terms. Two million is the number of jobs the Bush Administration is accused of "destroying" since it took over the White House and the rule of thumb among US economists is that 200,000 new jobs a month are needed for the unemployment rate to show a sustained decline.

"What gives me confidence? Everything we know about economics and history."

"Consumption and housing remain strong. Now capital spending is clearly coming back and inventories are at astonishingly low levels. Jobs are always a lagging indicator which follows economic growth. I would stake my reputation on employment growth happening before Christmas. I'd bet dollars to doughnuts that we are going to see a pick-up in employment in 2004."

But surely there is a serious qualification to this optimism? If economic growth does take off as suggested, then surely interest rates will start to rise?

Recent statistics on consumption and industrial production suggest that the US economy grew by 7 percent in the third quarter. In such an environment, the Federal Reserve might well consider raising interest rates. On Wall Street, however, the futures markets imply that interest rates will rise by no more than one quarter or half a percent before the summer and several leading banks expect no tightening at all until 2005. Surely, markets may be in for a nasty surprise? Mr. Snow seemed totally unperturbed. "Economic growth is a process of constant adjustments. If you've got productivity running at very high levels, you will get higher real wages and profits. Rates of return are up and as long as the expected return on capital is higher than the cost of capital, businesses will expand and the adjustment process kicks in."

"The price of capital is interest rates and there is going to be a need for a capital rationing process. Higher interest rates are an indicia of a strengthening economy. I'd be frustrated and concerned if there were not some upward movement in rates."

But what about politics? Next year will see a fiercely contested presidential election. Wouldn't an increase in interest rates at such a time interfere with the political process?

Mr. Snow was completely dismissive of this argument. It may be an article of faith on Wall Street that the Fed tries to avoid raising interest rates before elections, but this is factually untrue. The idea that the Fed doesn't move in election years is just "an amazing sort of mythology", Mr. Snow insists. After our interview, I check the historical record and discover that he is right. The Fed has raised interest rates sharply in three out of the past five election years, most recently in 2000. Moreover, while Wall Street mythology contends that the Fed lost President Bush's father the 1992 election, the record shows the opposite. The Fed cut interest rates by 2 percentage points in 1992. In the 1988 polls, by contrast, interest rates were lifted from 6.5 to 8.5 per cent, yet that was the election won by the first President Bush.

Turning to questions on the dollar, Mr. Snow indicated that the US policy had been misunderstood by many commentators, though not by the markets themselves. The dollar has fallen sharply in the four weeks since a statement issued in Dubai by G7 ministers, which called for "greater flexibility" in exchange rates. Mr. Snow had hailed this statement as "a milestone" and this comment was widely interpreted as a hint the US wanted to see the dollar decline. Mr. Snow insisted, however, that the real milestone he referred to was the commitment of all the G7 countries to pursue policies to stimulate domestically led growth.

The US had never intended to talk the dollar down. Although Mr. Snow did not express any views on individual exchange rates, another senior Treasury official noted that the comments in Dubai were directed solely at countries that attempted to manage or control their currencies, not at market-based exchange rates such as the dollar-euro rate.

The US was not trying to persuade China to float its exchange rate in the short term, but rather to make the financial changes needed for a market-driven currency to be set one day. Moving to a floating rate would be "ill-advised" before the financial reforms were in place. "They are not going to get there overnight and we recognise that," he said. In Japan, too, Mr. Snow welcomed the economic reforms undertaken by Junichiro Koizumi, the Prime Minister. He refused to be drawn on whether he was satisfied with the strengthening of the yen since Dubai.

But another Treasury official noted that Japan had reduced the scale of its currency intervention and no longer seemed to be defending arbitrary exchange-rate levels, as it had been before Dubai.

#### UNIVERSAL HEALTH CARE

The SPEAKER pro tempore (Mrs. BLACKBURN). Under a previous order of the House, the gentleman from Washington (Mr. McDERMOTT) is recognized for 5 minutes.

Mr. McDERMOTT. Madam Speaker, I want to reassure my colleague from Massachusetts that there is hope after all. The Bush administration has endorsed and even funded universal health insurance. The thing is, the President's universal health insurance program is for the people of Iraq, not anything for the 44 million Americans.

Madam Speaker, we already pay enough for universal health care in this country, but we are not getting it. The administration misleads the American people by having the Secretary of Health and Human Services say, and I quote, "You are still taken care of in

America. That certainly could be defined as universal coverage." The truth is that every other industrialized nation in the world has a universal health system except the United States. Half the bankruptcies in this country are due to health care costs.

The United States spent \$1.6 trillion on health care in 2003. That is an average of \$4,900 per person for the entire country. The average of the next 29 industrialized countries is less than half that amount, about \$2,100 per person. Switzerland, at number two, spends \$3,106. That is \$1,800 less per year per person than the United States. Every one of these countries has universal health insurance except us.

We have 44 million uninsured and 40 million underinsured, and premiums are going up. At the same time, employers are shifting more of their health care costs on to their employees. Every strike has as the number one issue of contention their health care benefits. They just settled a grocery strike in California that has been going on for 6 months and it was all about that.

Seventy-two percent of the uninsured are in families where there is a full-time worker. Sixteen percent have two full-time workers. Only 62 percent of all employers even offer health insurance, and only 60 percent of employees can take advantage of it. How bad does it have to get before we begin to do what is necessary?

Not many years ago opponents and an army of lobbyists turned back the last great hope for real reform. We were told managed care in the marketplace would save the health care system. It never happened. All through the 1990s when the economy was hot, the number of Americans without health insurance went up. When the economy tanked under President Bush, the number of Americans without health care kept going down. How bad does it have to get?

A long time ago we made some decisions in this country: Police, fire protection, national defense, education, and highways would be issues of the common good. We would do them together. It is time for health care to be done as a common good. We have the power and ability to take care of everyone, from patient to physician to provider.

National health care does not mean government medicine.

□ 1430

It means a guaranteed revenue stream to give a stable set of benefits for everyone that cannot be taken away.

At the present time, government at all levels already finances 60 percent of all the health care spending in this country. That is over \$2,600 per person. Remember, the international average is \$2,100 per person so we are already spending enough. If we were tightfisted, we could have that kind of a system.