

But the only talk here in the Nation's Capital is about when, not if, we must initiate a war that even the administration admits could cost \$200 billion. Some are not even embarrassed to gloat about the political benefits for those who preach war over those who prefer negotiations, diplomacy and containment. The fact that the Arab nations are overwhelmingly opposed to an attack on Iraq and are joined by the European Community is of no concern to those who demand war regardless of any circumstance.

Eighty percent of the American people now report that they believe that a war with Iraq will increase the chances of our suffering from a new terrorist attack. If this is true, we become less secure with an attack on Iraq, since little has been done to correct the deficiencies in the intelligence gathering agencies and our immigration policies.

No credible evidence has been produced that Iraq has or is close to having nuclear weapons. No evidence exists to show that Iraq harbors al Qaeda terrorists. Quite to the contrary, experts on this region recognize Hussein as an enemy of the al Qaeda and a foe to Islamic fundamentalism. Many other nations pose much greater threats to world peace. Yet no one is clamoring for war against them. Saddam Hussein is now weaker than ever.

Reports are now appearing that we are negotiating with allies to share in the oil bounty once Iraq is occupied in order to get support for our invasion from various countries around the world.

Our national debt is over \$6 trillion and is increasing by nearly half a trillion dollars a year. Since Social Security funds are all placed in the general revenues and spent and all funds are fungible, honest accounting, of which there has been a shortage lately, dictates that a \$200 billion war must jeopardize Social Security funding. This is something the American people deserve to know.

Since there are limits to borrowing and taxing, but no limits to the Fed printing money to cover our deficit, we can be assured this will occur. This guarantees that Social Security checks will never stop coming, but it also guarantees that the dollars that all retired people receive will buy less. We have already seen this happening in providing medical services. A cheap dollar; that is, an inflated dollar, is a sinister and deceitful way of cutting benefits.

Rest assured, a \$200 billion hit on the economy will have economic consequences, and the elderly retirees on fixed incomes, and especially Social Security beneficiaries, will suffer the greatest burden of policy, reflecting a belief that our country is so rich that it can afford both guns and butter. Remember, we have tried that before.

The tragedy is that once the flaw in policy is discovered, it is too late to prevent the pain and suffering, and only finger pointing occurs. Now is the

only time we can give serious attention to the true cost of assuming the burden of an endless task of being the world's policeman and starting wars that have nothing to do with defense or national security.

A nation suffering from recession can ill afford a foreign policy that encourages unnecessary military action that will run up huge deficits. Congress ought to pause a moment, and carefully contemplate the consequences of the decisions we are about to make in the coming days.

ANNOUNCEMENT OF INTENTION TO OFFER MOTION TO INSTRUCT CONFEREES ON H.R. 3295, HELP AMERICA VOTE ACT OF 2001

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, pursuant to clause 7(c) of the rule XXII, I hereby announce my intention to offer a motion to instruct conferees on H.R. 3295 tomorrow.

The form of the motion is as follows:

Mrs. EDDIE BERNICE JOHNSON moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the Senate amendments to the bill H.R. 3295 be instructed to take such actions as may be appropriate to ensure that a conference report is filed on the bill prior to October 1, 2002.

PAYING ATTENTION TO ECONOMIC PROBLEMS IN AMERICA

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. Mr. Speaker, there is an old saying about whether people are able to walk and chew gum at the same time. We are chewing on a lot of war, but we certainly are not walking with our economy.

I have come to the floor, in case one does not know it, to announce that the Dow Jones Industrial Average reached its lowest level in 4 years, down 189 points today. Let us pay attention. Even more serious, the Fed's Open Market Committee had two dissenters, something that rarely happens, two dissenters from the decision to hold the Fed funds rate steady.

The Fed repeated its concerns about the slow pace of the recovery of the economy, and it went so far as to indicate that there was a concern about war in Iraq. I am going to quote from that concern: "Considered uncertainty persists about the extent and time of the expected pickup in production and employment owing in part to the emergence of heightened geopolitical risks. You stand forewarned," we stand forewarned.

At the middle and lower end of the income spectrum, the Annual Report of the Census Bureau came out today, and the Census Bureau reported that 1.3 million people slipped below the government's official poverty line. We know that that official poverty line is

20 years old and all the analysts say it is outdated, so there are obviously more than 1.3 million.

Perhaps of greatest importance to the Members of this body, because most of our constituents are middle income, the Census Bureau reported that the median household income, median, fell 2.2 percent last year, and that that was the first decline in median income in our country since 1991.

Everybody lost, my friends. All but the top 5 to 10 percent of households by income lost. The only Americans to gain last year were those with incomes above \$150,000.

Why are we not paying any attention to the American economy? Why is the only attention of this body and of this administration on Iraq, thousands of miles away? Can we not talk about Iraq and talk about what the American people talk about every day as well, how their own household income is plunging and going down?

Watch your constituents; watch your district. If you are from the Midwest, your median income fell 3.7 percent. If you are from the West, it fell 2.3 percent. Are my colleagues paying attention to what is happening in their face, in their districts, to their own constituents? Is there not something we can do for them before this House recesses?

I am as worried about war as the next person. I am in a city that has every reason to worry about war. But there are a lot of worries on my mind.

Another worry needs the attention of this body at least as much, and that is the economy of our country and the living standards of our constituents. That, my friends, is getting no attention from this body. That, my friends, is getting all the attention at home after they turn off all of the war talk.

I hope that the pressure that I feel, the pressure of the economy, the decline of the Dow Jones today, the rise in the number of Americans falling below the poverty line, the reduction, the worst reduction in more than a decade, in the median income of American families, I hope that is enough to get our attention before it is too late.

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One has to be able to walk and chew gum if one is a Member of Congress. If all we can do is talk about one subject, if all we are worried about is Iraq and not around the corner from where we live, then when we go home, those of us who insist upon a single focus will be punished and should be punished. Let us listen to what most worries the American people. Let us listen to household incomes.

REPORT ON RESOLUTION WAIVING POINTS OF ORDER AGAINST CONFERENCE REPORT ON H.R. 1646, FOREIGN RELATIONS AUTHORIZATION ACT FOR FISCAL YEARS 2002 AND 2003

Mr. SESSIONS, from the Committee on Rules, submitted a privileged report

(Rept. No. 107-682) on the resolution (H. Res. 545) waiving points of order against the conference report to accompany the bill (H.R. 1646) to authorize appropriations for the Department of State for fiscal years 2002 and 2003, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 4691, ABORTION NON-DISCRIMINATION ACT OF 2002

Mr. SESSIONS, from the Committee on Rules, submitted a privileged report (Rept. No. 107-683) on the resolution (H. Res. 546) providing for consideration of the bill (H.R. 4691) to prohibit certain abortion-related discrimination in governmental activities, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H. Res. 540, EXPRESSING THE SENSE OF THE HOUSE THAT CONGRESS SHOULD COMPLETE ACTION ON H.R. 3762, THE PENSION SECURITY ACT OF 2002, AND H. RES. 544, EXPRESSING THE SENSE OF THE HOUSE ON PERMANENCY OF PENSION REFORM PROVISIONS, AND H. RES. 543, EXPRESSING THE SENSE OF THE HOUSE THAT CONGRESS SHOULD COMPLETE ACTION ON H.R. 4019, MAKING MARRIAGE TAX RELIEF PERMANENT

Mr. SESSIONS, from the Committee on Rules, submitted a privileged report (Rept. No. 107-684) on the resolution (H. Res. 547) providing for consideration of the resolution (H. Res. 540) expressing the sense of the House of Representatives that Congress should complete action on H.R. 3762, the Pension Security Act of 2002; for consideration of the resolution (H. Res. 544) expressing the sense of the House of Representatives on permanency of pension reform provisions; and for consideration of the resolution (H. Res. 543) expressing the sense of the House that Congress should complete action on H.R. 4019, making marriage tax relief permanent, which was referred to the House Calendar and ordered to be printed.

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

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

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

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

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

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

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

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

THE RAMIFICATIONS OF INCREASING THE PUBLIC DEBT

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

Mr. SMITH of Michigan. Mr. Speaker, we are in a predicament in Congress right now, and that is finishing the appropriations bills. The appropriations process goes from fiscal year to fiscal year, that is, October 1 to October 1. So in just another week we are hitting the new fiscal year. So tomorrow, what we are going to do is pass what is referred to as a CR; it stands for a "continuing resolution." We are now sort of arguing and trying to decide whether continuing spending for the next few weeks should be at the level it was this current fiscal year or whether it should be increased somewhat in terms of spending to accommodate inflation.

The problem is that there are a lot of people in Congress, in the House and in the Senate, that want to spend more money. So what has happened in this Congress, in this government, is spending has been going up faster than inflation. I brought this chart and made up this chart quickly, and we can see how the spending line tremendously has increased over the past 5 or 6 years in terms of spending.

Spending has some consequences in terms of its effect on the economy. The Republican Policy Committee met with Art Laffer, who I consider a very good economist in this country. We met last week. One of my questions to Art was, What is worse as far as its negative effect on economic growth, would it be increasing the debt or having tax increases? He said, in his opinion, they are both about the same kind of negative effect. Tax increases maybe have a greater economic effect in the short run; but in the long run, increasing the debt, that means we are going to take a lot of money out of circula-

tion which, eventually, has just a negative effect on the economy.

A lot of people are saying, well, look, we should be paying more attention to the economy. One way this Congress can pay more attention to allowing the economy to operate the way it should is be a little less overzealous in terms of regulation on business, in terms of our taxes on individuals and business, and when I say taxes on individuals, most of the businesses, the small businesses in the United States pay that individual income tax. So as we become more intrusive in that tax, it has a tendency of discouraging small economic growth, which is really the backbone, the mainstay of employment in the United States.

That brings to mind a question I think that this body must deal with and must consider, and that is how big should the government be in terms of a percentage maybe of gross domestic product. How fast should expenditures rise? Is it reasonable to have the budget of the Federal Government increase three and four times as fast as inflation increases?

And the conclusion is, as we are concerned about the economy, the answer is no, that we should hold the line on spending so we do not have to increase taxes and so we do not have to increase the Federal debt. Politicians have found out, however, that it ends up being to their advantage politically, it increases their chances of being re-elected, if they spend more money, so they go home with more pork barrel projects; and they get on television and in the newspaper cutting the ribbon for the new pork that they brought home to their district, or they come up with more social programs to help relieve some problem in the United States. No one can say there are not a lot of problems, no one can say that the spending in the Federal Government probably does not do some good for somebody, but the tendency has been to expand government spending.

Tonight I want to talk a little bit about the ramifications of increasing our public debt. What is the public debt? We have heard people brag that we have paid down part of the debt to the public in the last few years. The fact is that the total debt of the Federal Government has continued to increase every year. The debt can be divided into two portions. It is the Wall Street debt, the amount of money that we borrow from individuals that are at weekly Treasury auctions, and it is the money that we borrow from the trust funds, Social Security being the biggest one. So the money coming in from Social Security when we were pretty overzealous in the amount of increase in the Social Security taxes that we passed in 1983. We now are bringing in from that FICA tax, that 12.4 percent that we charge on everybody's wages for Social Security, we are bringing in \$515 billion a year. Out of that \$515 billion, this current year, in Social Security benefits, it is immediately sent