

At that meeting we had a gentleman named Michael Copps, one of the commissioners on the Federal Communications Commission, who laid out what is happening at the FCC and told us what most Americans do not know, that on June 2 the FCC is likely to hold a vote which will further deregulate media in the United States and create a situation in which a handful, a tiny handful of huge media conglomerates will largely control what the American people see, hear and read. What we have today is already a very dangerous situation. What is likely to happen after June 2 will be even worse.

What do we have today? If we turn on the television and watch NBC, how many people know who owns NBC? It is owned by General Electric, one of the largest corporations in the world, a corporation with enormous conflicts of interests in a dozen different areas. Turn on CBS. Who owns CBS? It is owned by Viacom, another huge company. Turn on ABC, owned by Disney. Turn on Fox, owned by the right wing Australian billionaire Rupert Murdoch. Turn on CNN, owned by AOL-Time Warner, another huge corporation.

What happens when we end up with a few large companies determining the flow of information in America? Two things happen. Number one, if we listen to radio, we know that on talk radio, the only differences that we hear are between right wing radio talk show hosts and extreme right wing talk show hosts. There is virtually nobody on national talk radio who is expressing the needs of working Americans, of the middle class, of low income people.

If we watch television, huge sections, huge areas of great concern to the American people are virtually never discussed. How many Americans know that we as a Nation have the most unfair distribution of wealth and income of any major country on earth? The richest 1 percent own more wealth than the bottom 95 percent, and the Bush tax proposal will only make that situation worse.

Have my colleagues heard discussion on that issue? Is it appropriate to give tax breaks to billionaires when we have the highest rate of childhood poverty in the industrialized world? When we turn on the television we can see a lot of advertising come from the large drug companies. How many Americans know that we are the only major country on earth that does not have a national health care program that guarantees health care to all people as a right of citizenship? Yet we end up spending twice as much per capita on health care as any other country.

□ 1600

Mr. Speaker, turn on television, you hear a lot of discussion about a lot of things; but you may not know in the United States, our people, especially seniors, are forced to pay by far, not even close, the highest prices in the world for prescription drugs. Turn on TV, read the editorial papers of your

newspapers. You will hear how great our trade policy is doing. How many people know that NAFTA, most-favored nation status with China, was pushed upon Congress by the big-money interests who also own the media but have resulted in huge job losses for working people in this country.

If deregulation of media goes forward, this is what will happen. For the first time, we will have television stations and newspapers in a given town or city owned by the same person. You are going to turn on TV and get the same point of view as you do from the local newspaper owner. Also as a result of further media deregulation, we will see large television companies able to own more and more TV stations all over the country. The trend is very clear. Fewer and fewer large corporations own more and more of the media. This is dangerous for democracy. It must be opposed.

TAX CUT AIMED AT COFFERS OF THE RICH

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

Mr. MEEKS of New York. Mr. Speaker, the first tragedy of today is we did not have democracy at its best. Democracy at its best would have called for a debate on this great floor of the House of Representatives so that the Democrats and Republicans would have had an opportunity to roll out their respective plans so that the people of America would have known what the Republican plan was and what the Democratic plan was.

However, it must be out of fear that the majority had decided that they were going to completely silence the minority by not allowing them to debate the issues on the floor so that the American people can see what is happening here in this House of Representatives.

Therefore, I am compelled to come to make a statement in Special Orders as opposed to debating with my colleagues on something that is so fundamental and so important to our great Nation. It is important to its future, and it is important for our children and our children's children. So I have to rise today to express my concern and opposition to the huge, unfair, and illogical tax cut which the majority just propelled through the House of Representatives today.

I listened to the debate this morning, and I had to wonder how long it would take, if you would call that a debate. Because it was only an hour and we did not have an opportunity to do anything else on our side, I had to wonder how long would it take before we, as a body, realize that this tax cut is nothing more than the 2001 tax cut in 2003 clothes.

In May of 2001, we, those of us who are Democrats, made a passionate plea

to the administration to temper and equally disburse its 10-year tax cut which did not protect the Social Security trust fund, did not include funds for much-needed domestic priorities, and was almost totally based on projected revenues barring any catastrophic event. A modest tax surplus meant that Americans had earned some tax relief.

My Democratic colleagues on the Committee on Ways and Means, led by the gentleman from New York (Mr. RANGEL), proposed a fair and responsible tax cut, job creation and economic stimulus plan. Most importantly, we tried to convince the administration that should some major national emergency require us to draw on emergency funds, there would be none if we spent it all then. The media and many called us pessimists and naysayers. But then sad for all of us, September 11 happened; and on September 12, 2001, we found ourselves poised to expend the greatest amount of personal, monetary, and political resources in our history.

The debt ceiling has now become a ballistic missile, and it is unguided at that. Most importantly, we are now faced with the largest deficit in the history of this great country. This does not sound like fiscal responsibility to me. What this \$550 billion fiscal monster does effect is another round of tax cuts tilted toward the affluent and deficits that will become a future tax on the rest of us and our children.

The Social Security trust fund surpluses will be misused every year for at least 11 years to mask the even larger deficits. Estimates are that by 2012 the resulting debt load will be about \$50,000 per American household. This is a travesty, and we should not be a part of it. Some say, what about some tax relief? I agree with providing some tax relief. I agree with not allowing marriage to be a discriminating tax category. I believe people should be given incentives to save more for their retirement, especially when they live longer, and the Republican policies that we see will make us live longer, but without Social Security.

I cannot agree with leveraging Social Security, earned income and child tax credits, food stamps, family support, student loans, public housing, drug elimination programs, section 8 housing opportunities, and the virtual zeroing out of all unemployment compensation in order to make the rich richer and the real people the holders of a budget-busting, loose-cannon tax cut promissory note.

So, as I conclude, we sought then, as we do now, to provide tax relief that is fair, responsible, and immediate.

This tax cut is aimed at the coffers of the rich. We all know that tax cuts for the rich and affluent will not help the economy. The people who will spend the money are those who need it the most! Let's keep in mind that 2.6 million private sector jobs have been lost since the end of 2000! It is 2003 and we are still paying for unintended consequences, ill-conceived tax

cuts and growing domestic obligations. This is not the time for "country store" give-aways!! and if we give anything away—we should at least give everyone something to spend and not just those who have it already. We should seek to do something that is fair, responsible and immediate.

Economists nation-wide are in agreement that this type of tax cut will do little or nothing to create jobs or stimulate the economy. More than 400 professional economists, including ten Nobel Laureates agree that: "Regardless of how one views the specifics of the Bush plan, there is wide agreement that its purpose is a permanent change in the tax structure and not the creation of jobs and growth in the near term." Mr. Speaker, I submit to you that such comments are not politically driven. They do not reflect some partisan attempt to dismantle sound and effective fiscal policy. The in-coming Director of the Congressional Budget Office, a Republican appointee, has testified to the skepticism of these tax cuts either stimulating the economy or paying for themselves.

Mr. Speaker we sought then—as we do now—to provide tax relief that is fair, responsible and immediate. Throughout the day's debate, extension of remarks, special orders and other comments, my colleagues have eloquently highlighted the Democratic alternative: fair, responsible, and immediate have been our cry. I won't repeat the details—Mr. Speaker you know what they are. We were unable to even bring a Democratic alternative up for debate and that, Mr. Speaker, is the real tragedy of this debacle.

TAX BREAKS FOR THE ELITE

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

Mr. PALLONE. Mr. Speaker, as so many of my Democratic colleagues this afternoon brought forth, it is amazing to all of us on this side of the aisle that the Republicans would bring up this tax cut legislation which basically just gives money back to wealthy individuals and does nothing to help the economy, and at the same time we face this huge job recession throughout the country.

The most egregious part of it was today when the Democrats tried to bring up their alternative as a substitute, the Republican majority under the Committee on Rules refused to allow the Democratic substitute to even be brought to the floor, refused to even have a debate on a Democratic alternative which we believe very strongly would provide economic stimulus, create jobs, grow the economy, and bring us out of a recession, one of the worst we have had now long-term for the last couple of years.

All the Democrats were asking for was an opportunity to debate. I think the fear on the part of the Republican leadership was that if the Democratic substitute was allowed to be considered today, perhaps some of the Republicans might have voted for it, or at least the public and the media's attention would

have been focused on an alternative and have shown that the Republican proposal was not a good one and just basically was a tax giveaway to millionaires.

Mr. Speaker, our Nation is in a job recession with 2.7 million jobs lost since President Bush took office, the worst jobs record in 40 years. For 3 years the Republicans have had the power to turn this recession around, and they failed miserably. When I listen to the Republican leadership and the President, it seems like they are just coming into office, and they forget they have been in office almost 3 years; and during that whole time the economy gets worse every day.

For the past 2 years alone, the President and the Republicans in Congress have repeatedly chosen tax breaks for the elite, and the American people are still waiting for one job to be created. Keep in mind, this is a failed economic policy. This Bush policy, the President's policy, he has had an opportunity. He passed tax cuts last year, and since those tax cuts were passed, we have had a loss of another 1.7 million jobs. This is not something new. This is a policy that was tried over a year ago; and after it passed in the time it has had to take effect for the last year, the economic situation has gotten worse.

What do the Republicans say in response? They say let us try it again. They have a bill on the floor that amounts to another payback to the wealthiest Americans in our Nation. Tax cuts last year for the wealthy, and tax cuts again for the wealthy. They disguise it somehow. They say it is a little different this time because it is going to give breaks on capital gains and stock dividends; but these are two proposals that economists conclude will not create jobs or growth in the near future.

When our economy needs a true jolt to reverse America's economic skepticism, the Republican proposal will not stimulate the economy, and the Republican record on economics is uninspiring and one that should not be extended today.

I am not the only one saying this, and Democrats are not the only ones saying this. If we look at some of the columns in the media and the economists around the country, they all are saying the same thing. But one of the best statements was made in today's New York Times by Paul Krugman called "Into the Sunset." I just wanted to read certain parts of it because I think it points out very dramatically that this is a failed economic policy, that this tax cut, this plan that the Republicans had us vote on today, is just an extension of their failed Bush economic policy.

If I can read sections from Paul Krugman's opinion, it says that the tax cut package the House is expected to pass today is a package that relies on exactly the same bait-and-switch tactics used to sell the 2001 year tax. Here is the story:

In 2001, some swing Senators insisted on a budget resolution limiting the size of any tax cut. No problem. House-Senate negotiators pushed through a huge tax cut anyway, saving several hundred billion dollars by making the whole thing expire in the 10th year. Among other things, this sunset clause implied that heirs to large estates would pay no tax if their parents died in 2010, but would face significant taxes if their parents made it into 2011. At the time, I suggested that it be renamed the Throw Mama From the Train Act of 2001.

So we remember the kind of tricks that were played last year. We were told this was going to sunset, and everyone was running around saying does that mean I have to decide what year I am going to die?

□ 1615

Mr. Krugman says:

Needless to say, last year's bill was silly by design. The administration didn't intend to compromise. It fully expected to get the sunset clause repealed in a future Congress and President Bush was soon out there ridiculing the way the tax cut was programmed to expire, implying that the expiration date was imposed by scheming liberals when in fact it was a trick perpetrated by his own congressional allies. Now Congress is voting on more tax cuts. This time we're already running a record budget deficit and the long run prospect is bleak. Still the administration claims to be making a concession by agreeing to scale back its \$726 billion tax cut to a mere \$500 billion.

What Mr. Krugman is basically getting at and I think this is an aspect of this tax plan that we need to bring out, is that the President comes forward and says, I want a huge tax cut that is going to go mainly to millionaires and wealthy people and then some Republicans either in the House or in the other body come forward and say, oh, that is too big, we have to make it half of that or a third of that, and then one House or the other passes a bill that is maybe half the President's proposal and they play around back and forth and ultimately come up with something that is somewhat less than what the President proposed, but the bottom line is it is a huge tax break still, it breaks the budget, it creates a deficit and it primarily goes to wealthy individuals. So they play this game over and over again.

Paul Krugman goes on to say:

The new tax cut plan echoes the 2001 scam in other ways. In 2001 a tax cut that delivered about 40 percent of its benefits to the richest 1 percent of families was marketed as a tax break for ordinary folks. The same is true this time. In fact the extent to which the House bill favors the rich is breathtaking. The typical family would get a tax break of only \$217 next year but families with incomes above \$1 million would get an average of \$93,500 each. The estimates are that over the next decade, 27 percent of the tax cut, about the share that goes to the bottom 90 percent of the population, will go to these very high income families who comprise a mere 0.13 percent of the population.

So we are talking about very, very few people that benefit from this. But