

relief, vowing to repeal the Bush tax cuts. News coverage painted the picture of a Nation questioning the value of tax relief. In a July 28 Washington Post column entitled, "Democrats Not Shying Away From Tax Talk: Candidates Discuss Raises, Not Cuts," of two of those candidates, both called for repeal of the cuts, a move The Washington Post notes would raise tax rates for all income taxpayers; reinstate the marriage penalty on joint filers, and shrivel the popular child tax credit for middle-income tax payers.

The article says that the Democratic tax increases would be used to provide universal health coverage and to rev up the economy. They actually believe raising taxes would rev up the economy.

Moving on down the line, two Senators, Senator KERRY and Senator LIEBERMAN, are on record suggesting raising some income tax brackets to pre-Bush levels. Senator EDWARDS called for raising some income tax brackets, and once again treating dividends as taxable income. Under his leadership, he would not only increase the newly lowered 15 percent capital gains rate; he would increase it to a whopping 25 percent.

Mr. Speaker, it appears that the Democratic leadership's primary economic policy can be summed up in 2 words: tax increases.

Fortunately, August must have been a painful month for those who lept on the tax increase bandwagon because today economists are finally giving credit to the President and the Republicans in Congress for passing tax relief and fueling economic growth. Tax relief, not tax increases, have revved up the economy. Critics of the tax relief legislation must be shocked to see that lower taxes are providing stimulus.

Today we see a stock market on the rise. The NASDAQ closed at a 17-month high. The Dow and the S&P 500 ended today at 15-month highs.

The headlines are revealing: "Manufacturing Index at an 8-Month High."
"Chain Store Sales Rise."
"Construction Spending Inches Up."
"U.S. Growth Tops Forecasts."
"Fed Says Economy Shows Gains."
"Consumer Confidence Rises."

Mr. Speaker, the GDP, the broadest measure of the Nation's economy, grew at 3.1 percent in the quarter. That is up 1.4 percent in previous quarters.

Clearly, the signs are good and clearly the tax cuts are working. Now, there are sure to be some bumps in the road, but the facts are that relief is doing exactly what we said it would.

Mr. Speaker, I want to speak on one other subject, a subject that our majority leader, the gentleman from Texas (Mr. DELAY), came to the floor and talked about earlier today. He reaffirmed our commitment to control government spending, and I want to thank him for doing that. He knows that we provided tax relief to stimulate the economy, that we have attacked terrorism at its root and taken steps to

improve the quality of life for our troops.

Now is the time to direct attention to wasteful spending. Our freshman class has made its mission working on eliminating government waste, fraud and abuse. The momentum for true reform and reductions in spending are there. We have proved that tax cuts work, and we have the trust of the American People.

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.)

ORDER OF BUSINESS

Ms. JACKSON-LEE of Texas. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes out of order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

CONCERNS OVER IRAQI WAR

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Ms. JACKSON-LEE) is recognized for 5 minutes.

Ms. JACKSON-LEE of Texas. Mr. Speaker, those of us who have taken an oath of office to serve the American people welcome the opportunity to come back to the United States Congress and to be able to help guide this Nation as we move into the 21st century.

A lot of activity has taken place over the August work recess; and I believe, Mr. Speaker, it warrants commentary and it warrants action.

More than 6 months ago as we looked to the future, and more than that time frame when we debated the question of war and peace as it relates to Iraq, there were many of us who vigorously opposed the administration's war in Iraq. We argued for a constitutional vote on this floor, to vote war up or down. As that was overridden and the President decided unilaterally to go to war and ignore the United Nations and NATO allies and others, we continue to suggest that following this war, recognizing and appreciating the greatness of those young men and women willing to offer themselves and sacrifice themselves for the principles of this Nation, that we should design an aftermath to Iraq.

We should to deliberate and to discuss how should we, in fact, secure Iraq; how should we, in fact, provide safety to the people, to provide peace to the people, democratization to the people, and certainly provide the protection to our young men and women on the ground. Unfortunately, this administration decided to go it alone. And lo

and behold, though we wish not to be able to say that this evening, all we can say is, I told you so.

We find in the papers of the last couple of days terrible atrocities. One, for example, is that there are bomb incidents almost every day. Might I say to the U.N., United Nations family, my deepest sympathy for the tragic loss of those who are on the ground for humanitarian purposes. We are also offering our deepest sympathy to the families who have lost their young men and women on the front lines and, yes, those lives that will continue to be lost.

We find out by recent reports in newspapers that a congressional study shows that the Army lacks the active duty troops to keep the current occupation force in Iraq past March of 2004 without getting extra help from either other services and reserves or other nations. It was not too long ago when we said to the administration, it is imperative that if you fought the war alone, then you clearly need to keep the peace in the multi-lateral posture with the United Nations, with NATO allies and even with allies from the Arab region. Being in the Arab region, in the Medius region in April, it was clear that our Arab nations wanted to participate in the peace, our friends in India wanted to participate in the peace. But were they asked? No.

As the President moves for a U.N. Security Council resolution, tentative as it is, I believe it is time for the President of the United States to take to the bully pulpit and restore the value to the United Nations, restore our friendship with the United Nations, and begin to put together before the U.N. Security Council a sincere effort, a sincere offering that we would like to collaborate in building the peace. There is no shame in working with friends or collaborating. There is no shame in promoting the United Nations, the very entity upon which we built after World War II in order to generate a forum that nations could come together and fight for peace as opposed to war. But yet this administration turned its back on a vehicle that could be helpful; and now here we come back, suggesting that we would like our friends to donate troops and money. Well, we cannot get that kind of action unless you show true sincerity.

To the President I say that this report is worse than we would like. Released on Tuesday by a nonpartisan Congressional Budget Office, it said that if the Pentagon sticks to its plan of rotating active duty Army troops out of Iraq after a year, it will only be able to sustain a force of 67,000 to 106,000 using active duty and reserve and Marine forces.

We need help and there is no shame in that. I hope that the President will gather his thoughts and go to the United Nations in a collaborative way, not in an undermining way, not in undermining troops. I frankly support the