

lead of the west. What cannot be helped must be accepted. This takes us to my second question. Given the rise of the emerging world, should the developed world limit the globalisation of its own economies? Of course, so long as high-income countries depend on imports of commodities, trade will be essential. Self-sufficiency is a mirage. It is a question rather of how much openness to trade and movement of capital and labour there should be.

One issue has been the huge current account deficits of the U.S. Yet these are at last contracting, as export growth explodes (see chart).

On trade more narrowly, the basic point is well known: free trade is in the interests of the country adopting the policy, unless it has monopoly power. But—an important “but”—the benefits and costs are likely to be unevenly distributed. The latter is particularly likely for trade between rich and poor countries. Free movement of capital or labour may also harm important interest groups within a country even if it raises aggregate incomes. The freer movement becomes, the harder it may also be to impose taxes and regulations on those able to move.

As Mr. Summers argues, it is hard for a democracy to proceed with policies that a large minority believes are against their interests. If the fall-back position is not to be protectionism, itself no more than an inefficient tax and subsidy programme, more creative options must be chosen. The most obvious point, at least for the U.S. is the need to shift the provision of security from employers to the state. Corporate welfare states are unsustainable in a dynamic and open economy.

Yet if the U.S. is to have a more generous welfare state, including universal health provision, as in every other high-income country, taxes will have to be raised. Indeed, they will have to be raised even to meet existing commitments. Mr. Summers argues, in response, for international action against harmful tax competition. He argues, too, for greater international agreement on regulation. In some areas, notably finance, the latter makes sense. But the view that the U.S. must obtain such agreements if it is to raise some of the lowest levels of taxation and weakest regulation in the advanced world is unconvincing. If Sweden's taxes can be 56 per cent of GDP, it is not tax competition that keeps the U.S. at just 34 percent. The mobility of capital and people is an excuse, not a justification, for low U.S. tax levels.

What is desperately needed is an honest debate about these issues. Such a debate would, I believe, reach four fundamental conclusions. First, whether or not citizens of the U.S. (or other high-income countries) welcome it, the global spread of economic development is ineluctable. Second, protection against imports is a costly and ineffective way of dealing with the consequences. Third, parties of the centre-left should argue for redistributing the spoils of globalisation, not sacrificing them. Finally, a necessary condition is higher taxation of the winners. But the chief obstacle to that is a lack of domestic political will. Globalisation is not a reason for low taxes, but an excuse. It should be discarded.

Everybody should remember, above all, that the opening of the world economy is the west's greatest economic policy achievement. It would be a tragedy if it were to turn its back on the world when the rest of humanity is at last turning towards it.

INTRODUCTION OF LEGISLATION  
HONORING THE LIFE OF DR. VICTOR  
WESTPHALL AND MRS.  
JEANNE WESTPHALL AND THEIR  
CONTRIBUTIONS TO THE NA-  
TION'S VETERANS

**HON. TOM UDALL**

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 22, 2008*

Mr. UDALL of New Mexico. Madam Speaker, I rise today to proudly introduce legislation in tribute to Dr. Victor Westphall and Mrs. Jeanne Westphall, who dedicated their lives to honoring the courage and sacrifice of their fallen son, LT Victor David Westphall III, USMC, and all Vietnam veterans.

Following the tragic deaths of their son and 15 of his fellow Marines, on May 22, 1968, in Vietnam—40 years ago today—Dr. and Mrs. Westphall led the Nation in memorializing all Vietnam veterans by building an enduring symbol of the tragedy of war. In late summer of 1968, the Westphalls began construction of the Vietnam Veteran's Peace and Brotherhood Chapel in Angel Fire, New Mexico, in honor of their son and his fallen comrades. The chapel was completed in 1971 and dedicated on May 22nd that same year—37 years ago today—which was the third anniversary of David's heroic death. Ultimately, it was the Westphall's hope that the memorial would serve as a source of inspiration for all in pursuit of a peaceful world.

At a time of political unrest in a deeply divided Nation, constructing the memorial was not a popular idea, but Dr. and Mrs. Westphall persevered. Their strength and courage triumphed in the face of financial difficulties by being the first to commemorate those who had suffered, and those who had died in the war. Needless to say, the chapel's message has since become widespread and its message has been followed by many. The chapel is a place of peace and tranquility and has become a spiritual haven for reflection. Its doors have never been locked, and for many it represents serenity, nobility, and comfort for all.

The memorial is recognized as a monument of national significance and embodies the harmony and solace of Angel Fire's landscape and New Mexico's citizenry. The substantial financial and emotional contributions made by Dr. and Mrs. Westphall represent their efforts to honor all veterans and to properly memorialize the sacrifices made during the Vietnam war. In 2005, the David Westphall Veterans Foundation donated the memorial to the State of New Mexico and it is now officially the Vietnam Veterans Memorial State Park—the only State park in the United States dedicated solely as a Vietnam veterans memorial. New Mexico State Parks plans to maintain and improve the Memorial and stay true to its purpose as a place of healing and education.

The memorial plays a large role in helping to heal the wounds of the Vietnam war. It helps bring us together not only to remember what occurred and what was lost, but also to ensure that we do not forget. In keeping with the traditions of all that Dr. Victor Westphall, Mrs. Jeanne Westphall, their son, and their family stood for, please join me in proudly recognizing them with this legislation.

RENEWABLE ENERGY AND JOB  
CREATION ACT OF 2008

SPEECH OF

**HON. CAROLYN B. MALONEY**

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 21, 2008*

Mrs. MALONEY of New York. Madam Speaker, I rise in support of H.R. 6049, the Renewable Energy and Job Creation Act. This legislation will extend and expand tax incentives for renewable energy and create hundreds of thousands of green jobs, along with providing critical tax relief to families as they face rising gas and food costs.

With soaring gas prices hitting our constituents hard in the pocket book, we need to reduce our dependence on foreign oil, while protecting the environment. H.R. 6049 does this by increasing production of renewable fuels and renewable electricity, and encouraging greater energy efficiency. Specifically, the 6-year extension of the investment tax credit for solar energy, the 3-year extension of the production tax credit for biomass-, geothermal-, and hydropower-generated energy, and the 1-year extension of the production tax credit for energy derived from wind set us on the right path for decreasing our dependence on foreign oil.

This bill would also provide critical tax relief to families at a time when they are paying more at the pump and in the grocery store. When passed, this bill would provide this relief through the ability to deduct State and local sales tax, tuition and other education expenses including the out-of-pocket expenses by teachers, the deduction of property taxes for non-itemizers and probably most importantly, relief for more than 12 million children through an expansion of the refundable child taxpayers earning \$8,500 a year. These are commonsense items directed towards those who are in the most need of relief. It is no secret that the cost of living is increasing and wages are stagnant. These provisions will help the average American family receive some relief.

Madam Speaker, I am pleased to support the Renewable Energy and Job Creation Act and I urge my colleagues to do the same.

TRIBUTE TO THE NATIONAL  
INSTITUTES OF HEALTH

**HON. MICHAEL K. SIMPSON**

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 22, 2008*

Mr. SIMPSON. Madam Speaker, I rise today to call attention to a potentially serious liver disease that affects a growing number of young people in our society and to commend an outstanding research program that the National Institute of Diabetes and Digestive and Kidney Diseases (NIDDK), a unit of the National Institutes of Health, is conducting to address it before it creates a major crisis for our population.

I am referring to Non-Alcoholic Fatty Liver Disease, NAFLD. While the name is unwieldy, the concerns are real. We are all aware of the growing epidemic of obesity in young people and the impact that this can have on increased incidence of diabetes, heart disease,