might put in place of Social Security, the system that is responsible for lifting millions of Americans, older Americans out of poverty, disabled Americans out of poverty, survivors of workers who died at a young age; we would lose or risk all that in the newly fractioned, independent sort of account kind of system.

□ 1915

Yes, a few people would do better, but most would not. Here is an option that would provide tax relief and save the system, but it just somehow did not capture the chairman's attention right off. I do not intend to drop the idea. I have final legislation and I am ready to introduce it soon. I am hoping to begin a debate about a better way to fix social security.

Mr. SANDERS. Mr. Speaker, we are running out of time, and I want to thank the gentleman from Oregon (Mr. DEFAZIO) for joining me this evening.

The bottom line of this discussion is the following, that unless ordinary people, working people, middle-income people, young people, get actively involved in the process and fight and stand up for social justice, what will happen is that the people who have the money, the people who make the campaign contributions, they will continue to call the tune here in the Congress and in the administration.

What will happen is that the policies, whether they are trade policies, health care policies, prescription drug policies, labor policies, environmental policies, whatever, those policies will be heavily influenced by the interests of those people who have the money, and they will work against the interests of the vast majority of the people.

The bottom line of this whole discussion is that we are a great and wealthy Nation. If we all stood together and became actively involved in the political process, we could create a society where every man, woman, and child had a decent standard of living. That is not utopian vision, that is concrete reality. That is what we could do. We could join the rest of the industrialized world and provide health care to every man, woman, and child, including prescription drugs.

We will not do that unless people stand up and be prepared to fight for what is right. I just want to thank the gentleman from Oregon (Mr. DEFAZIO) for joining me this evening.

THE VITAL ROLE OF THE FEDERAL GOVERNMENT IN AMERICA'S EDUCATION SYSTEM

The SPEAKER pro tempore (Mr. GREEN of Wisconsin). Under the Speaker's announced policy of January 6, 1999, the gentleman from New York (Mr. OWENS) is recognized for 60 minutes.

Mr. OWENS. Mr. Speaker, abolishing the Federal role in education will produce a long-term monumental disaster for this country. I open with that statement to make it clear what I want to talk about tonight. Abolishing the Federal role in education would produce a long-term monumental disaster for this country.

I want to make it clear what I am speaking about because I have had a couple of people, interns in my office and constituents, say that I ramble a bit, and they are not sure what my basic subject is about because of my examples that are far-reaching, et cetera.

It is about education. I am here to talk about education again because it is important that we not allow education to get off of the radar screens of the people who make decisions here in Washington.

Members of Congress and the White House must understand that it is a subject that the voters have indicated in poll after poll that they consider to be the number one priority. They want the Federal government to do more in the area of aid to education. That is a priority, and they are on target. The common sense of the voting public is more on target than the priority-setting here in Congress. Education is the number one priority.

The reaction of the political leadership here in this city, in Washington, has been not to deal with education in a straightforward way which recognizes the need to provide more resources for education. No, instead we are avoiding the issue with rhetoric and trickery. I am here tonight because the latest active trickery deserves immediate exposure.

On Tuesday, June 22, the Republican majority, and this includes the majority in both Houses, let it be known what their basic thrust is going to be with respect to education. The reauthorization of the Elementary and Secondary Education Act per se has been put on the back burner, but it is being preempted by an obvious assault on the Federal role in the process of education.

The same Republicans who came to power in 1995 and said they wanted to abolish the Department of Education are now pursuing that same goal through a different route. They have found that the American people did not approve of a frontal assault on education which talked about abolishing the Department of Education. That was unacceptable.

Instead of a frontal assault, now we are going through a different route, through the back door, and waging guerilla warfare against the Federal role in education.

On Tuesday, June 22, Republican leaders, and I am reading from an article in the New York Times, page A–18, Tuesday, June 22, ''Republican leaders in Congress today unveiled an education bill that builds significantly on their previous efforts to give State and local governments even broader discretion over the spending of Federal money.''

I appreciate the wisdom of the writer of this article, Mr. Frank Bruno. He starts out with an indication of exactly what is happening: ''It builds significantly on their previous efforts to give State and local governments even broader discretion over the spending of Federal money.''

The article continues, ''Under the proposal, a State could opt out of the current Federal financing system which allocates money for specific purposes and instead use most of that Federal aid as it wishes, provided that the State first enters into a 5-year contract with the Department of Education that holds the State to certain performance goals.''

The trickery here is that this proposal follows the same course as the Welfare Reform Act, where there were supposed to be contracts and specific plans made, and most States have reneged on their contracts already. The Federal government seems to be paralyzed and unable to monitor them properly or to enforce those welfare reform agreements.

Now we propose to follow the same course with education. The same people who wanted to abolish education in 1995 are not saying we should abolish the Department of Education, but instead take all the money, give it to the States, and let the Department of Education monitor it.

However, we will hear them shortly after that saying that the Department of Education is a swollen bureaucracy, and therefore, we should cut the administrative costs by cutting the size of the Department of Education. The staff to monitor these programs I assure the Members in a few years, they will not be around at all. Right now they are all too few.

Continuing in the New York Times article, ''The plan, which would apply to more than $10 billion in Federal money nationally, faces an uncertain fate. There is not yet a timetable for its procession to the floor of either the House and Senate, and Democrats in both chambers denounced it as a reckless experiment.''

The Democrats who have been quoted are the same Democrats who voted against the Ed-Flex bill, which is the forerunner for this present, broader block grant approach. The Ed-Flex bill was taking a portion of the existing Federal funds and allowing States to use that as they saw fit. That was quite popular and a large number of Democrats voted for it.

My fear is that despite the recklessness of this and the extremism involved here, large numbers of Democrats are going to be caught sleeping, and the idea is going to look very attractive when the Governor calls and the State Department of Education people call and say, yes, we would like maximum flexibility. Give it to us. They will have an immediate targeted approach to the Members of Congress while the public is still out there wandering in confusion about the meaning of this kind of flexibility.

The meaning of this kind of flexibility is that the States, which have

traditionally and presently always had the power to forge education policy to improve schools and to get better results, the States that have failed to keep our education systems up to par and promote the kinds of education systems which are able to keep up with a world that is rapidly moving towards a cyber civilization, demanding more and more education of workers, a high-tech civilization where those who do not have a first-rate education will find it difficult to find employment, the States have failed to do that, and they have had 93 percent of the responsibility.

In another part of the same article they point out, the writer, Mr. Bruno points out the fact that ''Overall, the Federal government provides only about 7 percent of the education budget.'' I cannot emphasize this fact too much, because the core of Republican propaganda about education insists that education has been ruined by Federal intervention.

The Federal government intervenes to the tune of 7 percent of the total allocation, the total appropriation for education. The States and the local governments are responsible for the rest, 93 percent. They have 93 percent of the funding authority and responsibility. They have 93 percent of the control. So this preoccupation with grabbing the 7 percent from the Federal government has no basis in any rational philosophy of trying to improve education. It is just a grab for more money, and it is an extremist act.

It is extreme because it will push the Federal government completely out of the process of trying to improve our schools and to reform education. This is the last big amount of money the Federal government has invested, or the only significant amount it has invested to date. So if we push the Federal government out, then we only have the States left, and we have an extreme system.

Our system already is weighted in terms of local control and State control. Unlike any other industrial democracy or industrial Nation, democracy or otherwise, we have decentralized policy-making, decentralized control of our education system. We are way at the other end of the spectrum from those nations that have total control in a central education ministry like Japan and France, and Great Britain has decentralized to a great extent.

Basically all of the European countries have strong central roles for the development of education policies and practices and procedures, enforcement of accountability, et cetera. We have always been out there as the most decentralized system, and we are not apologetic about that. There is a lot to say about the American decentralized approaches to education.

It started with Thomas Jefferson opposing a central national university, but he was the first to establish a university at the State level, and many other States followed suit. The Morrill Act created land grant colleges in all the States, and we have had a decentralized system in terms of elementary and secondary education as well as higher education for the life of this Republic.

However, there are weaknesses in a system which is so extreme that it only involves the States and local governments. We discovered those weaknesses in a big way in World War II, and even more so later on when the Russians challenged us in the scientific race for new high-tech weaponry and the race into space, et cetera.

The Russian challenge led to a great intervention by the Federal government in the form of incentives and new ways to stimulate science education, math and science education in our local schools. The involvement of the Federal government has been there to some degree since then.

Later on under Lyndon Johnson, of course, we created the Title I program, which seeks to provide greater aid for the poorest school districts, the poorest schools in the poorest school districts in the country.

□ 1930

But total involvement, even after the Federal intervention, is minuscule compared to the involvement of other Nations in terms of their central government involvement with education.

So we have a system which is at one extreme already. We are going to make it even more extreme by pushing the Federal Government totally out of the process. There is a great deal to be said about the present involvement in the Federal Government. I think it is far too little. It should be more.

But even if we increase the Federal appropriations from 7 percent of the total to 25 percent of the total, we still would only have a minor role, a secondary role being played by the Federal Government. The States and localities would have 75 percent of the control. That would be a greater balance.

The check and balance approach that we have found very useful in our overall national government, the check and balance approach is good in a number of different kinds of activities and enterprises, the check and balance approach where one does have some participation by another body to help to sort of balance off the kind of extremes that are negative on one side at the same time not take over and not smuggle the process.

We need a check and balance of the Federal Government with respect to the State and local governments on education. There is nothing negative about having some ideas and some initiatives, innovations, research, statistics gathering, comparative analyses, sharing of information from one State to another, a number of things that the Federal Government does and does very well that it will not be able to do if it is pushed out of the process.

It has to have a role which is significant, and the fact that it actually makes funds available to States and local governments gives it a role of some significance, however minor it may be. But to totally eliminate that is extremism.

It is the kind of Republican extremism we heard in 1995. It is just more subtle now. Instead of screaming that we should abolish the Department of Education, they now propose a rational reallocation of the dollars that the Federal Government provides for education.

It is like Marie Antoinette, when they said they have no bread, the poor have no bread, she said let them eat cake. The Republican majority, answering the call of the common sense of the voters who say we should have more Federal aid to education, they say let us just scramble the resources we have now. No more resources. Nothing new is going to be offered.

We are going to scramble the existing money that is being provided in federal aid to education and make it appear that we are doing something great by giving control of all of the Federal funds to the States, which have done a bad job, I will not say bad, but inadequate, they certainly have not been able to keep up, and their resources are dwindling while the Federal resources are increasing. It is an extreme position.

The bill which both houses of the Congress are praising as their new approach to education, they call it the Academic Achievement For All Act. They have already got a good nickname called the Straight A's Act. Their public relations people have done a good job. That is very, very effective, Academic Achievement For All, Straight A's Act.

But it is only scrambling the Title I money primarily. We already have Title I funds. We already have a few other funds. They are going to take that, put it in a pot, scramble it, give it away to the States, and will claim that they have done something new for education.

Let me just quote again from the article, ''But the extraordinary fanfare with which it was introduced suggested the extent to which Republicans in Congress eyeing next year's critical elections have decided to seize education as an issue and make local control their battle cry.

''Education is number one on the Republican agenda, said Senator TRENT LOTT of Mississippi, the majority leader, at an early afternoon news conference just outside the Capitol. Mr. LOTT was joined by Speaker J. DENNIS HASTERT of Illinois. They stood with other lawmakers in front of a yellow school bus brimming with fresh-faced students. Dozens of other students fanned out around the lawmakers, clapping and cheering their assent to each policy point, no matter how arcane.''

I am quoting from the New York Times article Tuesday, June 22. ''Mr. HASTERT described the bill which Republicans have titled the Academic

Achievement For All Act and nicknamed the Straight A's as a historic step. Democrats said the direction of that movement was backward. Representative GEORGE MILLER, Democrat of California, said it was unclear from the Republican plan how accountable schools would be. Mr. MILLER also said States would be able to shift money from poor districts and children to wealthier ones. Communities will be pitted against each other to lobby their State Capitols for school money, he said.

''We know how that fight will turn out. Education Secretary Richard W. Riley issued a statement denouncing the bill along similar lines. The bill is a far-reaching extension of the philosophy behind the Education Flexibility Partnership Act, or Ed-Flex, which Congress passed with broad bipartisan support this year and President Clinton signed the bill into law.''

Let me repeat that last paragraph. I quote from the New York Times article, ''The bill is a far-reaching extension of the philosophy behind the Education Flexibility Partnership Act, or Ed-Flex, which Congress passed with broad bipartisan support this year and President Clinton signed into law.''

I reread that because I want to make it clear that I am not an alarmist. I am not here upset and frightened for no reason. What was done before on a bipartisan basis, with large numbers of Democrats participating, was a precedent-setting action. It is the forerunner of what is about to come back to us in the form of a take-it-all flexibility-for-all-of-it, meaning take everything that the Federal Government has invested in education and give it to the States.

Democrats, beware. Democrats, do not fall into this kind of appeal for local control reasonableness. The local control is already 93 percent. Why not let the Federal Government remain in the process with its measly 7 percent?

Continuing to read the article from the New York times, ''The law authorizes States to grant waivers to local school districts that want to spend Federal dollars in ways differ slightly from the specifically intended purpose.

''The new Republican bill whose chief sponsors are Representative BILL GOODLING from Pennsylvania and Senator SLADE GORTON of Washington would allow precisely that kind of reshuffling. Republicans said the safeguard preventing any particular area of education or school district from neglect would be the performer's contract which would oblige States to prove that achievement was not suffering.''

The performance contract, the same kind of thing that they have in the welfare reform bill. The States must show that they are doing certain kinds of things, only they have not bothered to do it, and no one in the Federal Government has been strong enough to force them to live up to the contract.

Thus, it will be with education. Once the States have the money and the Department of Education has less of a reason to exist, less staff, less budget, who will go out to enforce the contract? No one. This is a rip-off, a grab for the 7 percent of the Federal dollars that are now devoted to education by the States, who have, as I said before, done a very poor job up to now.

Democrats contended that many students could fall by the way side before the Federal Government was able to determine that a State had fallen short of its goals. Like Ed-Flex, the new bill would affect slightly more than $10 billion of Federal money, largely the same pool of money to which Ed-Flex applies. That represents most of what the Federal Government spends on primary and secondary education.

So we are about to make a monumental mistake. It is on extremist's proposal that will be clothed in sweet reasonableness, and a lot of people are going to be caught off guard and fall for it. Why have total control, total involvement only by States and local governments and leave the Federal Government totally out of the picture with respect to the effort to reform education and improve our schools?

There was a time when States were totally responsible for housing, States and local governments, housing for the poor. Nothing ever happened. Only the Federal Governments intervention provided decent housing in areas for people for whom there was no other answer.

There was a time when health care was not a Federal responsibility. Federal Government did not get involved with health care. We had a monumental disaster across the Nation in terms of health care later. Later on, the Federal Government, through Medicaid and Medicare, through Lyndon Johnson, began to play a greater role.

Whatever my colleagues may consider wrong with our health system at present, I am certain that my colleagues would not try to take away Medicare. Medicaid, they are trying to take away, but even Medicaid, one would have great resistance in taking that away from the American people.

Senior citizens and retirement and care for people who are aging was totally neglected by the States. We had the poor houses. We had all kinds of bizarre ways in which they made a token effort to help aging people. But only Social Security, a Federal program saved senior citizens from abject poverty and suffering.

The States had the ball, and they would not run with it. The States traditionally are controlled by people who have not bothered to govern for everybody. The temptation and the tendency of the States is always to govern for the powerful, and to do as little as possible to please the majority, and let the minority go completely. Triage systems. Do not provide health care at all. Do not provide housing at all. Social Security. Do not provide anything for the aging. It is the Federal Government that has made the effort to close the gap and provide the safety nets.

In education, that has not been the case. It is still primarily a State responsibility, a local responsibility. So why move to the extreme position of trying to make it a total State local responsibility using Federal funds?

I spoke last time about the fact that the Federal Government, in its intervention, redistributes funds in ways that have aroused a great deal of opposition in certain quarters, because if one distributes funds according to the population, the big cities are likely to get a larger percentage of the funds than other areas, the States that have large populations. For some reason, that is considered to be undesirable. If one distributes funds according to population it seems to me the fairest way in the world to distribute them. But that is undesirable.

There was a move afoot last week to try to cut back on the mass transit funds received by California and New York because the mass transit funds were going a larger percentage to California and New York. Well, that is where most of the mass transit is. That is where the people who ride on subways and buses live. So why was there a great outcry about the fact that they got a larger proportion of the mass transit funds than most other areas?

Highways and road were getting large amounts of money in areas where the per capita utilization of the highways is minimal. If one had to give highway and road money out on the basis of how often the roads are used, then the large population centers would get more highway money because, actually, the number of people utilizing the highways and utilizing the roads are far greater in the areas where the people live. People are there, therefore they should get from the Federal Government a proportional share of the resources that are available.

But this has not happened; and for that reason, I use an example which several people called me about and said, well, what does that have to do with education? What does it have to do with justice for the big cities? Why are you reverting to reciting statistics about who died in all the wars? It just seems to me a very graphic way to try to bring home the point I am trying to make.

□ 1945

The resources for education, the resources which involve helping people, should go where the people are. The fact that we are abandoning public schools means that the largest concentration of public schools and the largest concentration of people voting in public schools are in the big cities and the States that have the big cities.

Why do we want to abandon them with respect to education and leave them in a situation where they will not be able to get decent employment in the future? We are going to create an uneducated underclass, an inadequately educated class or half educated class or poorly educated class.

Whatever title we may choose to give it, it is a class of people that will not be able to qualify for the high-tech jobs. They will not be able to participate in the cyber civilization that is coming. That will be a great tragedy. And if we do that, we are generating a great unjust situation against a segment of the population which repeatedly has been called upon to defend the country.

In all the wars, the largest number of casualties have been in the big States and the big cities where most of the people live. I used that example before and I will repeat it again. I think it is important to recognize that the demographics of the war dead, the demographics of heroism. These are heroes. Everybody who gave their life is automatically a hero. They gave all they could give in defense of this country in World War I, in World War II, in Vietnam, in Korea. The demographics stand out.

But the people who died in the greatest numbers came from the places where people live in greatest numbers, where the population is. They might have had other factors that contribute to the heroism, but it was there.

Even the battle of Gettysburg. On the Union side, the largest number of soldiers who died were New Yorkers. Because New York was probably clearly the State which is most densely populated at that time which furnished soldiers and troops for the Union's cause. That is certainly one of the biggest factors. And there might have been other factors. But the greatest number of soldiers on the Union side who died were from New York and Massachusetts and Pennsylvania, the States with the largest population.

In World War I, New York and Pennsylvania again are way up there ahead of everybody else; 35,100 casualties, 7,307 combat deaths from New York in World War I. Pennsylvania 5,996 combat deaths. Illinois 3,016. These are the big cities of New York, Buffalo, Philadelphia, Pittsburgh, Chicago.

California was just beginning to boom in population, and they had far fewer deaths. But later on, California, where the people live, where the population is, they are the people who send the largest number of soldiers to the wars and they died in great numbers. Eighty-nine thousand casualties in World War II from New York State. Twenty-seven thousand of those, almost 28,000, were combat deaths.

Why should we quibble about the portion of Federal funds that New York receives for mass transit or that they receive for education or for Medicaid? That is where the people live.

California, big jump in World War II, 47,000 casualties. Seventeen thousand died. But even then, it was less than half of New York, which was still the largest population center during the Second World War. Where the people live, that is where we have the casualties, that is where we have the heroes, and that is where we have the public schools that are being abandoned now. Those are the people that we call upon and order to go to war. But in peacetime suddenly they become a nuisance.

We have a philosophy that is sometimes weakly expressed, and sometimes there are high-powered people who come right out and say it: We do not need poor people.

There was a member of the editorial board of the New York Times more than 15 years ago who used the phrase, ''planned shrinkage,'' that instead of trying to rebuild poor communities, instead of trying to take care of the poor, let us just plan for the city to shrink in size and population. Planned shrinkage sounds like a perfectly respectable, acceptable term.

Now, that was long before anybody ever talked about ethnic cleansing. Ethnic cleansing you would say cannot be equated to planned shrinkage, and I would agree. But it is on the way. Low-income cleansing is what happens when you have plan shrinkage, low-income cleansing. Let us make life difficult for people who are poor and maybe they will move away. Let us make life difficult and hostile and they will solve the problem for us by moving away. We do not really need people. We only need people in times of war. We only need people when the Vietnam War takes place, and out of our cities comes a larger percentage of combat deaths than any other part of the Nation.

In the big cities we will have the names on the Vietnam Wall Memorial. Go look at the names. And I am glad we have such a memorial, as I said before, because it brings war home in a very human way. We are not talking about unknown soldiers. We are not talking about tombs for unknown soldiers. We are talking about human beings that lived and breathed and they lived and breathed in the big cities. That is where the soldiers came from. They died in large numbers. Their names are on the Vietnam Memorial. They are the soldiers whose families and friends and neighbors still in those big cities that we should make a pledge to provide first-class education.

The Federal Government should participate in provisional education because those people are very important to our Nation. I hope I do not just have to use that example, but that example is a graphic which brings it home.

What about the future of the Nation if we do not educate the people in the big cities, we do not educate the folks who go to our public schools large numbers?

There are a couple of other items that appeared recently in the paper that I think are significant. I am here repeatedly to talk about improving education and improving schools. I talk about the need to have a massive construction program, a school construction program, which not only deals with the problem of overcrowding in our big cities and in rural areas, replacement of schools that are falling down, replacement of the trailers that are inadequate in so many places, but also school construction which would provide for the wiring of schools so that we can get more technology in schools.

They need new computers to do the construction. They need to be hooked up to the Internet. That is where the world is going. We have thousands of thousands of jobs. I think now they talk about right now there being 300,000 vacancies. There are 300,000 vacancies in the information technology industry. They expect the number to climb to 1.5 million in 2 or 3 years. And these estimates are based on the fact that they look at the number of youngsters who are taking computer science in our colleges and they say that number is totally inadequate.

We need more youngsters going into college. We need more youngsters at every level, not only the colleges where they can get the computer program training, but the junior colleges where they are going to become computer technicians, or even high school where they get enough training to become computer mechanics or in some way assist. Because the world is going in that direction.

The age of cyber civilization is going to be here sooner than we realize. And in order to participate in that and hold a job, they have got to have the education necessary.

Let me just highlight this report that appeared yesterday in the New York Times.

A report was issued by the Commerce Department which describes the economic benefits from the Internet. The economic benefits from the Internet have greatly benefited our economy. Our overall economy is fed by a new kind of phenomena which requires a highly educated work force.

The article was in the New York Times on June 23. It reads as follows:

> The financial benefits of the Internet and high technology extend beyond the quick riches they have brought high-profile entrepreneurs and investors in recent years to the Nation's economy as a whole, a new Government study shows.
>
> The information technology industry, which includes everything from the Dell Computer Corporation PC's to the Microsoft Corporation's software, to Cisco System, Inc.'s routers, generated at least a third of the Nation's economic growth between 1995 and 1998, the Commerce Department said in a report released today. During that period, the gross domestic product rose 22 percent, to $8.7 trillion.

The Internet as a force in our economy did not exist 20 or 30 years ago. But between 1995 and 1998, it expanded to reach the point where it is now third. Internet related activities are a third of our economy.

> Those goods and services also got cheaper and allowed businesses to become more productive, cutting inflation by seven-tenths of a percentage point in 1996 and 1997, the report says.
>
> ''The improvement in technology, in productivity, is what has made the economy so incredibly attractive in the last couple of

years,'' said William J. McDonough, president of Federal Reserve Bank of New York.

Today's Commerce Department report, the second in a series of three on technology, does not provide figures measuring total spending on high technology. Instead, it focuses on growth of on-line businesses and companies that cater to the technology industry. For example, it says almost half of all American workers will be employed in high-technology industries or at companies that rely heavily on technology by 2006.

I repeat. The report says, ''Almost half of all American workers will be employed in high-technology industries or at companies that rely heavily on technology by 2006.''

I cannot say that too often. Because as I move through my own district, which has very serious problems with respect to resources that schools have, most of them are not appropriately wired, they do not have enough computers, and many of those who have computers are not wired to the Internet.

I move about among people who say that I am talking about a luxury. ''Let us get enough books, enough crayons enough blackboards. Let us deal with the basics,'' they say, ''and then you can come back to us and talk to us about computers and the Internet.''

No, we cannot wait because we are galloping forward and if half of the people employed, if half of the American workers in the year 2006 are going to be in the high-tech industries, our youngsters in the schools in my district, unless they have more exposure to computers and there is an effort to interject and interweave the Internet and the kind of things it can do, computer literacy, computer competency, we will not be able to qualify for those jobs.

The unemployment rate is already very high in my district. It is already very high. There is no hope for it going down even if the number of jobs increase, as they have in New York City. We have a large amount of vacancies in the high-technology industry in New York City. But the unemployment rate among the young people in my district is still up around 20 percent. They cannot qualify for the jobs if they do not have the education. That is a simple fact, and we have to understand that.

I cannot speak too often or too long or too forcefully about education when we are talking about the livelihood of these young people. They have no future if they do not get the education that they need.

Workers in information technology have been at least twice as productive as other workers from 1990 to 1997 and earn 78 percent more than other workers, the report said.

The report ''provides fresh evidence that our Nation's massive investments in these sectors are producing gains in productivity and that these sectors are creating new and higher-paying jobs faster than any other,'' Commerce Secretary William M. Daley said in the report.

Meanwhile, those who invested in high technology have reaped rewards that outpaced the market as a whole. The Standard and Poor's High Technology index rose more than five times since June of 1994, while the broader S.&P. 500 stock index tripled. Spending on information technology has quadrupled over the last decade, rising as a share of all business spending on equipment to 53 percent from 29 percent, according to the Commerce Department in a separate report.

□ 2000

''Internet activity is driving deflationary boom conditions,'' said Ed Hyman, an economist for the ISI Group in New York. ''It's official.''

Mr. Speaker, I ask to enter the article which describes the report from the Commerce Department on the impact of high technology and information technology in its entirety for the RECORD.

[The New York Times, June 23, 1999]

COMMERCE REPORT DESCRIBES ECONOMIC BENEFITS FROM INTERNET

WASHINGTON, June 23 (Bloomberg News)—The financial benefits of the Internet and high technology extend beyond the quick riches they have brought high-profile entrepreneurs and investors in recent years to the nation's economy as a whole, a new Government study shows.

The information technology industry—which includes everything from the Dell Computer Corporation's PC's, to the Microsoft Corporation's software, to Cisco Systems Inc.'s routers—generated at least a third of the nation's economic growth between 1995 and 1998, the Commerce Department said in a report released today. During that period, the gross domestic product rose 22 percent, to $8.7 trillion.

Those goods and services also got cheaper and allowed businesses to become more productive, cutting inflation by seven-tenths of a percentage point in 1996 and 1997, the report says.

''The improvement in technology, in productivity, is what has made the economy so incredibly attractive in the last couple of years,'' William J. McDonough, president of the Federal Reserve Bank of New York, said in a speech in New Jersey today.

Today's Commerce Department report, the second in a series of three on technology, does not provide figures measuring total spending on high technology. Instead, it focuses on growth of on-line businesses and companies that cater to the technology industry. For example, it says almost half of all American workers will be employed in high-technology industries or at companies that rely heavily on technology by 2006.

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The report ''provides fresh evidence that our nation's massive investments in these sectors are producing gains in productivity and that these sectors are creating new and higher-paying jobs faster than any other,'' Commerce Secretary William M. Daley said in the report.

Meanwhile, those who invested in high technology have reaped rewards that outpaced the market as a whole. The Standard & Poor's High Technology index rose more than five times since June 1994, while the broader S.&P. 500 stock index tripled. Spending on information technology has quadrupled over the last decade, rising as a share of all business spending on equipment to 53 percent from 29 percent, according to the Commerce Department in a separate report.

''Internet activity is driving deflationary boom conditions,'' said Ed Hyman, an economist for the ISI Group in New York. ''It's official.''

Mr. Speaker, it cannot be said too often, if we do not educate our young people in our big cities, a whole segment of the population will be out there wandering in the wilderness, nowhere to go, in terms of employment. I will not begin to postulate on what the consequences will be. I just know that a just America, which seeks to have a continuation of law and order, of promulgation of the right to pursue happiness, is an America which will not shut down the public school system and cut off the opportunities for the young people in our biggest cities and the poor people in our rural areas. That is what will happen if the Republican Academic Achievement for All Students Through Freedom and Accountability Act goes through. Because all it does is take the Federal initiative, the Federal dollars, scramble them up and put them in the hands of State and local governments who have not been able to measure up to the job, to the requirements, up to now.

How can we improve education by giving more money, throwing more money, taking Federal money which exists now, throwing it into the State and local coffers? What is the great automatic, obvious advantage of local control? Why is local control sacred? There are many examples of local control degenerating into complete corruption. There are more examples of local control being stagnant. For long periods of time school systems did not move off dead center in terms of improving the performance of their students. This is not just true of low-income areas but large numbers of middle-income communities had stagnation. When the Federal Government intervened shortly after the Russian Sputnik triumph in space and began to offer greater incentives and offer greater amounts of money and money for training and for leadership to promote more science and education, better science and education teachers, the public schools began to do a better job in science and math. The effect of that was to create something that has continued. We have a large number of very good public schools in the Nation. In areas where you have low performance overall, there are schools that stand out. We have some of the best schools in the world in New York City. Some of the high schools have repeatedly taken the largest share of science prizes whether it is Westinghouse or some other science prizes. If you move into the area of debate, any other area, you find other high schools who stand out there. So we have individual schools that have done a magnificent job, but the system overall is lagging. The system overall that seeks to educate 1 million children in New York City has many, many problems. A majority of the youngsters in these schools are receiving an inadequate education. Some of them have never been able to sit in a classroom with a teacher of science or math who majored in math or science in college. In our junior high

schools a survey was done which showed that in the areas where most of the African Americans and Latino students live, the poorest students in the city, most of the junior high school teachers teaching science and math had not majored in science or math in college. They were people who were thrown in there and had to try to do a job because no other bodies were available. This is a chronic problem. It was not just for that year or the year after, it still exists. There are some schools that lost their physics teachers, high schools, several years ago. They still do not have a physics teacher who majored in physics and has some expertise in the area 3 or 4 years later. The problem is acute. In an area where larger salaries are paid in the suburbs surrounding the city, they attract off the best teachers and you have a situation where the ones who need the greatest amount of help and the most expertise, the most creative, the most imaginative teachers, get the least from the teachers.

The shrinking teacher pool, the number of teachers available, the fact that it is becoming more and more difficult to find good teachers, is part of the larger problem. Because of the fact that we have not appropriately funded the education system, we have not appropriately insisted on accountability, you do not have enough youngsters going into college, you do not have enough coming out. So those who are graduating from college, they choose other professions in large numbers and the number of students who go into teaching as a percentage of the professions chosen, that number keeps shrinking. We need more youngsters going into the college from high schools, youngsters who are qualified to do college work, who can come out of college and become those good teachers which would back up the system's effort to teach those who need help most. Nothing of that kind will happen if we take away from the big city schools the title I funds that go in large amounts to big city schools. This Academic Achievement for All Students Through Freedom and Accountability, Straight A's Act, that was described by the Republicans the day before yesterday is an attempt to move in a direction where the ultimate, the final result would be that States would have the power to move the money that the Federal Government appropriates now for the poorest schools, they can move it anywhere. We know from past history they will move it to the areas where they are seeking votes, where the greater number of votes are. They will move it to the areas where the people have the most political power. Those who have political power now have the best schools now already. In New York State, we have some of the world's best schools, best outfitted high technology schools, schools who have had computers, that the ratio of students to computers has been very good for years and they have been hooked up to the Internet for years. They have not had problems of wiring their schools because there is an asbestos problem. We cannot wire a lot of schools because asbestos still exists and when you start boring holes just to put wires in, that is a big problem. They have not had the problem of appropriations being too small for books so that the teachers and the principals do not even want to ask for additional appropriations for computers. They have not had those kinds of problems. They have not had the problems that there is no room to place the computers even if they were given to you because the schools are overcrowded. There are a number of schools in my district that are operating at a capacity of twice the number of students that they were built for. An elementary school built for 500 students has 1,000. A high school built for 2,000 students has 4,000. They go from 7 in the morning until late in the afternoon. Many schools have three lunch periods because the lunchroom cannot accommodate all of the students so they have to have lunches in shifts. That forces some elementary school students to eat lunch as early as 10 o'clock in the morning. That is child abuse, to force a child to eat lunch at 10 o'clock in the morning. It happens in large numbers of schools.

So without the Federal help, the first opportunity to learn factor, a decent building, a place where you can go and feel safe, a place which is adequate, adequate and conducive for learning, a place which nowadays would be able to accommodate technology and allow computers which are not a luxury anymore, wiring to the Internet which is not a luxury, to allow all of those factors to be involved in the education process, it is impossible to achieve that without more help from the Federal Government.

The greatest emphasis that I have placed on my role as a member of the Committee on Education and the Workforce is to focus on the basic problem of school construction. We may talk about a lot of other factors, and I do not want to minimize the need for more research, I do not want to minimize the need for more teacher training and teacher accountability. All of these problems, all of these factors are important. But before anything happens, we need to have a massive school construction program which says to the Nation that we have not abandoned the public schools. The fact that schools are literally falling down sends a message that is highly visible and highly symbolic, that we do not care about public education anymore. We talk about improving the teaching of reading, computer literacy and computer competence, but when a child walks into a school with a coal-burning furnace, the risk to that child's health is greatly increased, it would be better off if at a young age they stayed away from school because the more you are exposed to certain fumes, the greater the likelihood that you are going to have asthma or other respiratory illnesses. Why should we have children go to school and have their health jeopardized, be placed at risk because they go to school? If a child goes to a school which still has paint that had lead in it, and they are first graders or kindergarten children, they play with the paint and they get some of that in their system, their health is greatly threatened. We still have those kinds of problems. We still have asbestos problems, but the greatest problem is, of course, the overcrowding, where you cannot teach 40 children in one room, especially when they are children who need a great deal of attention. You need the space before you can use the additional teachers.

I am very proud of the fact that President Clinton forged an initiative on increasing the number of teachers per classroom, especially in the early grades. That was a $1.2 billion initiative in last year's budget which was not easily gained. It took a lot of hard negotiating. The Republican majority resisted it all the way and they are still resisting. They want to convert that into something else. But it is important that we made the effort, we recognized the need to have a ratio of students to teachers, especially in the early grades, which is better than the kind of 35 to 40 ratio of students to teachers that exist in some schools now.

But in New York, the truth is where they need the teachers to relieve the burden of teachers having too many students, they do not have the classrooms. You cannot put a teacher with 20 children in the front of the room, a teacher with 20 children in the back of the room and expect to really have education among young children. It is not going to happen. That is too many kids in one room. The fact that there is another adult, another teacher, will not solve the problem. You need space. You need a classroom. You need a well-lighted classroom. You need a classroom that does not have the threat of coal dust from a coal-burning furnace. You need a classroom that is properly ventilated. You need new classrooms in many of these situations.

The Republicans claim in their new initiative that the way to solve the problem is to give it all to the States and let them solve the problem, let the States and the localities have the Federal money, that measly 7 percent that we provide for the overall education budget, give it to the States and that is the solution to the problem. Well, the States, some States have large surpluses at this point. In fact, quite a number of States have surpluses. The prosperity that has benefited the Federal treasury has also benefited State treasuries. In New York State, the State had more than $2 billion as a surplus in last year's budget. The Democrats in the legislature sought to get a measly $500 million of that to provide for school repairs and school construction in the areas of greatest need. The

governor vetoed the $500 million out of the $2 billion budget.

At the city level, New York City had a surplus of at least $2 billion, and the mayor of the city of New York did not bother to appropriate a single penny to relieve the overcrowding in schools, to get rid of more coal-burning furnaces, to deal with asbestos problems, not a penny went out of that surplus. Are we going to give more money to the mayors and the governors, are we going to give the Federal money and expect an improvement in the situation when their behavior has indicated that they do not themselves care about their public schools? They are abandoning public schools. The great talk of vouchers and charter schools, et cetera was designed to deflect attention away from the fact that you need to invest heavily in public schools.

I introduced, on May 14, a bill, H.R. 1820, to amend the Elementary and Secondary Education Act of 1965 to provide grants to improve the infrastructure of elementary and secondary schools. Title XII already exists in present law. This is a very germane approach. There is no need to depend only on the Committee on Ways and Means to provide loans for school districts as a means of dealing with the problem of construction. We have a massive need for more school construction. We might recall that last year, we authorized $218 billion over a 6-year period for highway construction. I do not know why the Federal Government has to be so involved in highways and roads, but $218 billion was authorized for highway construction. I was not against that. I think that is a proper use of public dollars. But I am proposing in this bill, H.R. 1820, that over a 5-year period we spend $110 billion on school construction, $22 billion a year. The $110 billion is close to the $112 billion that the General Accounting Office said in 1995 we needed in order to, at that time, revamp, repair and keep our public school inventory at its present level, in proper condition. They did not talk about the expanding enrollments which now require probably, if we were trying to meet the need, about $200 billion for school construction all across the Nation.

□ 2015

H.R. 1820 is based on the fact that there are certain findings we cannot turn away from. There are 52,700,000 students in 88,223 elementary and secondary schools across the United States. The current expenditure of the Federal Government for education infrastructure is only $12 million. The present federal expenditure per enrolled student for education infrastructure, any kind of physical facility, is 23 cents per student, and appropriation of $22 billion a year would result in a federal expenditure for education infrastructure of only $417 per student per fiscal year, $417 per student per year compared to the present 23 cents.

That is what I am talking about. Let us not be overwhelmed by the big numbers; 22 billion a year sounds so great, but when you look at the number of children involved, we are talking about spending $417 per year.

My bill, H.R. 1820, proposes to provide, to distribute, the money across the country in accordance with the number of school aged children that each State has. Therefore my use of the statistics of the number of students divided into the amount of money is correct.

I do not propose to try to make judgments on priorities. We just proposed to address the problem. Some schools will spend majority of their money on building new schools, some may spend the funds on repairing existing schools, in some cases schools will choose to use some of the money for improving their schools for technology. Those are the options that they would have at the local level, but we must understand that there is a need to move and not to leave this up to the local and State governments that are obviously not going to deal with the problem.

Overcrowded classrooms have a dire impact on learning. Students in overcrowded schools score lower on both mathematics and region exams than do students in other schools. We must meet the challenge of a cyber civilization by educating all of our children. The Republican approach which proposes to end the federal role in education is the wrong one; we need more help, not less, for our public schools.

The article I referred to is as follows:

[The New York Times, June 23, 1999]

BILL OFFERS STATES LEEWAY ON EDUCATION AID

(By Frank Bruni)

WASHINGTON, June 22.—Republican leaders in Congress today unveiled an education bill that builds significantly on their previous efforts to give state and local governments ever broader discretion over the spending of Federal money.

Under the proposal, a state could opt out of the current Federal financing system, which allocates money for specific purposes, and instead use most of that Federal aid as it wishes, provided that the state first enters into a five-year contract with the Department of Education that holds the state to certain performance goals.

If the state failed to meet those goals, which the Secretary of Education would have to approve, the state would return to the old system of financing.

The plan, which would apply to more than $10 billion in Federal money nationally, faces an uncertain fate. There is not yet a timetable for its procession to the floor of either the House or the Senate, and Democrats in both chambers denounced it as a reckless experiment.

But the extraordinary fanfare with which it was introduced suggested the extent to which Republicans in Congress, eyeing next year's critical elections, have decided to seize education as an issue and make local control their battle cry.

''Education is No. 1 on the Republican agenda,'' said Senator Trent Lott of Mississippi, the majority leader, at an early after news conference just outside the Capitol.

Mr. Lott was joined by Speaker J. Dennis Hastert of Illinois. They stood with other lawmakers in front of a yellow school bus brimming with fresh-faced students. Dozens of other children fanned out around the lawmakers, clapping and cheering their assent to each policy point, no matter how arcane.

Mr. Hastert described the bill, which Republicans have titled the Academic Achievement for All Act and nicknamed Straight A's, as a ''historic step.''

Democrats said the direction of that movement was backward. Representative George Miller, Democrat of California, said it was unclear from the Republican plan how accountable schools would be. Mr. Miller also said states would be able to shift money from poor districts and children to wealthier ones. ''Communities will be pitted against each other to lobby their state capitols for school money,'' he said. ''We know how that fight will turn out.''

Education Secretary Richard W. Riley issued a statement denouncing the bill along similar lines.

The bill is a far-reaching extension of the philosophy behind the Education Flexibility Partnership Act, of Ed-Flex, which Congress passed with broad bipartisan support this year and President Clinton signed into law.

The law authorizes states to grant waivers to local school districts that want to spend Federal dollars in ways that differ slightly from the specfically intended purpose. But the districts can deviate only so much; money meant to combat substance abuse can be shuttled from a program specified by the Federal Government to one that is not, but the money cannot be used, for example, to improve reading skills.

The new Republican bill, whose chief sponsors are Representative Bill Goodling of Pennsylvania and Senator Slade Gorton of Washington, would allow precisely that kind of reshuffling. Republicans said the safeguard preventing any particular area of education or school district from neglect would be the performance contract, which would oblige states to prove that achievement was not suffering.

Democrats contended that many students could fall by the wayside before the Federal Government was able to determine that a state had fallen short of its goals.

Like Ed-Flex, the new bill would affect slightly more than $10 billion in Federal money, largely the same pool of money to which Ed-Flex applies. That represents most of what the Federal Government spends on primary and secondary education.

Over all, the Government provides only about 7 percent of the education budget for the nation's public schools and education experts have said that even striking changes in Federal policy have limited impact.

THE REPUBLICAN AGENDA

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, the gentleman from Michigan (Mr. HOEKSTRA) is recognized for 60 minutes.

Mr. HOEKSTRA. Mr. Speaker, tonight I would like to take the opportunity to talk about a number of the items on the Republican agenda, the agenda that I believe provides us with the opportunity to really build on the prosperity that this country has experienced over the last 7 to 8 years, the opportunity to take that prosperity and to reform the programs that we have in here in Washington, to reform our budget priorities and to address some of the systematic problems that we are experiencing.

Let me give my colleagues one example. In the budget resolution that we