without bitter fights and without leaving a lot of blood in the aisles.

So I take my hat off to Tom Manton and the kind of example he made. I can add very little to what my colleagues have already said.

ARGUMENT FOR RAISING THE MINIMUM WAGE

Madam Speaker, I wanted to speak tonight about a subject we have been talking about for quite a while here, and that is raising the minimum wage.

I also know that almost nothing new can be said about the need for an increase in the minimum wage. My colleagues have been on the floor for the last 2 weeks hammering away at the subject. The facts surrounding this gross injustice have been recited again and again.

I am a cosponsor of a simple legislative vehicle which will raise the minimum wage from $5.15 to $7.15 an hour. Our ranking member of the Education and the Workforce Committee, GEORGE MILLER, has already used every known legislative and publicity maneuver known to man to confront the majority Republicans with a need to place this issue on the floor for a vote. The 30-something Group has done a fantastic job with charts and graphs, making it crystal clear how ridiculous it is that we have not raised the minimum wage since 1997. I can't add much to that.

Madam Speaker, I want to address this subject from a different perspective. I want to talk about the fact that the people earning minimum wage at the very bottom are the people that we need in this society. We need everybody to be in a position where they can rise in this society, and a decent income for a family is the beginning of the process of moving toward the middle class.

''Middle-class'' covers a whole lot of things, but I am going to oversimplify the matter and say it is generally felt what makes the world go around economically and politically is a middle class. Every nation needs a middle class.

There has been a lot of talk about the fact that in China in the next 10 years, 25 percent of its population will be middle class. What is 25 percent of China's population of 1.2 billion? It is 300 million people that will be in the Chinese middle class. About the same number of people will move into the middle class in India in 10 years, 300 million.

Now, what is the population of the United States? Our total population is 300 million. If we are going to compete with China and India, the middle class is a competitive class. That is the educated class. That is the people that have technical proficiency to compete with us in the high-tech area. They are doing it and will do more of it. In addition to China and India, you have Russia and a number of other places in Europe that will have middle-class folks to be in that competitive arena.

We need every American to be competitive. We have only got 300 million. Our goal should be to make every American a part of the middle class, because middle class, as I said before, means the productive class, the people who can make a contribution toward our society, who can take care of themselves and help take care of various functions in our society.

At every level we need excellence, better educated people. I am talking about from the guy who pours the concrete to the engineer who designs the tunnels and bridges. We need competence, we need people who are constantly raising the level and moving toward excellence.

Blunders in our society internally may destroy us faster than any outside enemy, blunders by people who are not competent, blunders because we run out of talent, because we run out of people who know what they are doing, or we run out of a competitive situation where there are enough people in a given area to be able to chastise, examine, criticize and keep other people in line. We had such a major blunder in the building of the levees in New Orleans.

Madam Speaker, I will submit an article for the RECORD from the New York Times by Paul Krugman entitled ''Black and Blue,'' which is in regards to the minimum wage.

[From the New York Times, July 24, 2006]

BLACK AND BLUE

(By Paul Krugman)

According to the White House transcript, here's how it went last week, when President Bush addressed the N.A.A.C.P. for the first time:

THE PRESIDENT: ''I understand that many African-Americans distrust my political party.''

AUDIENCE: ''Yes! (Applause.)''

But Mr. Bush didn't talk about why African-Americans don't trust his party, and black districts are always blue on election maps. So let me fill in the blanks.

First, G.O.P. policies consistently help those who are already doing extremely well, not those lagging behind—a group that includes the vast majority of African-Americans. And both the relative and absolute economic status of blacks, after improving substantially during the Clinton years, have worsened since 2000.

The G.O.P. obsession with helping the haves and have-mores, and lack of concern for everyone else, was evident even in Mr. Bush's speech to the N.A.A.C.P. Mr. Bush never mentioned, wages, which have been falling behind inflation for most workers. And he certainly didn't mention the minimum wage, which disproportionately affects African-American workers, and which he has allowed to fall to its lowest real level since 1955.

Mr. Bush also never used the word ''poverty,'' a condition that afflicts almost one in four blacks.

But he found time to call for repeal of the estate tax, even though African-Americans are more than a thousand times as likely to live below the poverty line as they are to be rich enough to leave a taxable estate.

Economic issues alone, then, partially explain African-American disdain for the G.O.P.

But even more important is the way Republicans win elections.

The problem with policies that favor the economic elite is that by themselves they're not a winning electoral strategy, because there aren't enough elite voters. So how did the Republicans rise to their current position of political dominance? It's hard to deny that barely concealed appeals to racism, which drove a wedge between blacks and relatively poor whites who share the same economic interests, played a crucial role.

Don't forget that in 1980, the sainted Ronald Reagan began his presidential campaign with a speech on states' rights in Philadelphia, Miss., where three civil rights workers were murdered in 1964.

These days the racist appeals have been toned down; Trent Lott was demoted, though not drummed out of the party, when he declared that if Strom Thurmond's segregationist presidential campaign had succeeded ''we wouldn't have had all these problems.'' Meanwhile, the G.O.P. has found other ways to, obscure its economic elitism. The Bush administration has proved utterly incompetent in fighting terrorists, but it has skillfully exploited the terrorist threat for domestic political gain. And there are also the ''values'' issues: abortion, stem cells, gay marriage.

But the nasty racial roots of the G.O.P.'s triumph live on in public policy and election strategy.

A revelatory article in yesterday's Boston Globe described how the Bush administration has politicized the Justice Department's civil rights division, ''filling the permanent ranks with lawyers who have strong conservative credentials but little experience in civil rights.''

Not surprisingly, there has been a shift in priorities: ''The division is bringing fewer voting rights and employment cases involving systematic discrimination against African-Americans, and more alleging reverse discrimination against whites and religious discrimination against Christians.''

Above all, there's the continuing effort of the G.O.P. to suppress black voting.

The Supreme Court probably wouldn't have been able to put Mr. Bush in the White House in 2000 if the administration of his brother, the governor of Florida, hadn't misidentified large numbers of African-Americans as felons ineligible to vote. In 2004, Ohio's Republican secretary of state tried to impose a ludicrous rule on the paper weight of voter registration applications; last year, Georgia Republicans tried to impose an onerous ''voter ID'' rule. In each case, the obvious intent was to disenfranchise blacks.

And if the Republicans hold on to the House this fall, it will probably only be because of a redistricting plan in Texas that a panel of Justice Department lawyers unanimously concluded violated the Voting Rights Act—only to be overruled by their politically appointed superiors.

So yes, African-Americans distrust Mr. Bush's party—with good reason.

DEBATING REPUBLICAN TAX POLICY IN A CIVIL MANNER

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 2005, the gentlewoman from West Virginia (Mrs. CAPITO) is recognized for 60 minutes as the designee of the majority leader.

Mrs. CAPITO. Madam Speaker, I want to thank my good friend and colleague, the gentleman from Missouri (Mr. CLEAVER) for joining me here this evening in an important discussion that I think should interest all Members. I am going to talk a little bit about how we got started on this.

I am a member of the Rules Committee, and on the Rules Committee we have a Subcommittee on Civility. The chairman asked me to chair the Subcommittee on Civility, and I have some frustrations because now it is just the two of us on the Subcommittee for Civility. But we share a common goal here, and I think that tonight we are going to do sort of a demonstration project.

We are here this evening to highlight a major problem facing the House of Representatives, and that is the continuing lack of civility during floor debate. The blame does not lie with one party or the other; rather, it is incumbent upon all of our Members to maintain an appropriate level of civility and decorum during debate.

The manner in which we address our colleagues on the floor is not only recorded in the CONGRESSIONAL RECORD, but is also broadcast through C–SPAN to millions of Americans across the Nation each day, and probably around the world. The advent of C–SPAN was a great public service, allowing the public to view the floor proceedings in Congress from their homes, both the good and the bad.

It is healthy for Members to come to the floor and debate the issues facing our Nation, but it must be done in a manner that is respectful of our fellow Members, the people we are elected to serve, and the distinguished body we are proud to serve. I can tell you when I speak to my constituents across the Second District of West Virginia on a variety of topics of concern to all West Virginians, I am always guaranteed one line of applause, and that is when I apologize for the lack of civility in the House of Representatives.

So, tonight, Mr. CLEAVER and I will have a good, spirited debate on the tax policies put in place. I firmly believe that the tax policies have spurred the economic growth that we are experiencing and will continue to lead towards a robust economy.

Mr. CLEAVER and I do not agree on this tax policy, but we can agree that it is an important debate to have and one that can be conducted in a civil manner. So we are going to highlight our differences of opinion on tax policy and then have a general discussion on improved civility in the House of Representatives.

Madam Speaker, I now yield to my friend from Kansas City for his opening remarks and any other remarks.

Mr. CLEAVER. Madam Speaker, I thank the gentlewoman.

Madam Speaker, I would like to associate myself with the comments of my colleague and friend, SHELLEY MOORE CAPITO from West Virginia. When I was elected, I sought to find those who were interested in and concerned about the uncivil manner in which the Members of the House communicated with one another and, of course, there were not a lot of people walking around with signs saying I would like to work on civility.

But I did read in some booklet that SHELLEY MOORE CAPITO was one of those individuals interested in this issue of civility. So finding someone who shared my feelings that the people's House could and should do a lot better, we began to discuss what we felt would be an appropriate way to deal with this subject.

□ 2100

The truth of the matter is, that Mrs. CAPITO and I disagree on the issue of the tax cut, and we will debate that issue passionately in just a few minutes. But perhaps it would be important for me to say before we actually get into that subject that we have different backgrounds. We have different political affiliations. Our districts are vastly different. But we do passionately agree that there is a need to promote civility in the halls of Congress.

There are many, many days that I leave this House disgusted, not so much about a vote, as I am over what was said prior to the vote. I have heard all kinds of things fall from the lips of otherwise good and decent men, who were elected to represent a constituency here in this body. I have unfortunately heard, even at times religion used to hurl an attack at another member.

I agree with Mrs. CAPITO, it is not one party, the insults have fallen from the lips of people on both sides of the aisle, unfortunately. But I would like to just end my opening comments, Madam Speaker, by saying that some suggest that we are in a culture war.

If you accept the notion that we are somehow at war, then I think it is easy to accept the fact that whenever there is war, there is always collateral damage, and collateral deaths. And in the sense that we are having a cultural war, I would suggest that the collateral deaths or the damage is being done to the United States of America.

I am not sure that there are a lot of mothers and fathers watching this session tonight who, on a regular basis, summon their children to the television set to say to them, look, we want you to watch Congress in action and they will teach you how to get along with people when you disagree. I do not think that happens very often in this country and it is sad.

I yield to the gentlewoman

Mrs. CAPITO. Well, for some additional comments on that, before we move to our policy debate, I think you make excellent points. I want to congratulate you for your initiative on this matter. But I also know this is not a new initiative for you. When you were a Mayor of Kansas City, it was something that you were very dedicated to, a lot of coalition building, a lot of talking across the aisle or talking with maybe unnatural partners that you would not naturally see could be your allies.

And I think that, you know, we know and I know that when we go to our committees and when we go home or when we are in different arenas with our follow Members, Republican or Democrat, we can get a lot done when we are not on screen, or when we are not a talking head on a 60-second campaign or television ad.

I think that the American public has sort of lost faith that maybe we can accomplish things. We know that things get done. I think that what we are running the risk of, and you mentioned collateral damage, what we run the risk of is losing the ear of the American public.

Not only are they not bringing their children to the television to listen to what we are talking about, they are turning us off, because they cannot find the truth in what we are saying. Because we overexaggerate or we try to disparage people's character or lose respect in our arguments.

I think if we lose the attention of the American public, we run the risk of an apathetic country that no longer cares or has faith in their leadership to be able to cut through and cut to the chase and lead. So I think we are not alone in the Congress. There is a Center Aisle Caucus that was put together with Republicans and Democrats together to try to solve this problem.

But I am really pleased that tonight we are going to launch into this debate and see what we can demonstrate and what we can learn. If you will, we are going to go, kind of go free-wheeling. So should I go ahead and start?

Mr. CLEAVER. Please. Seniority. I think it would be good if we had, you know, we do not get in much free-wheeling debate on the House floor. So if you feel you want to move in on something, go ahead, and I will let you interrupt, and you can let me interrupt and we will go like that.

Let's talk about tax policy. In the United States Congress, since I have been here, we have passed two very meaningful tax bills. We have passed the Jobs and Growth Tax Relief Act in 2005, and we also passed the Economic Growth and Tax Relief Act.

We have to look at where we were, in my opinion. Where we were was we were post 9/11, we had a corporate scandal, we were in the beginnings or in the middle of a recession in our economy, and we were having difficulty pulling ourselves out for a lot of different reasons.

With the leadership of the President, we followed through in Congress to pass those two tax relief Acts. I think I would like to go to the numbers and talk about some of the things that I think are significant in terms of the numbers and how it has influenced Americans.

I always like to personalize everything to my State, so I have some State numbers as well. For instance, this year, who will gain tax relief? 111 million taxpayers will see their taxes decline by an average of $1,877. Significant numbers.

Five million total individuals and families will see income tax liabilities

completely eliminated, because we moved the tax, the lowest tax bracket, down to 10 percent.

Forty-four million families with children will receive an average tax cut of $2,493. That is because we have moved down significantly the child tax credit. Fourteen million elderly individuals will receive an average of $2,000, and 25 million small business owners will save an average of $3,641.

So those are the numbers in terms of what could possibly be saving, average savings through the tax relief. But I think we need to look at where we are right now. We have an economy that is moving in excess of 3.5 percent in gross national product.

We have created, over the last several years, 1.85 million jobs over the last 12 months alone, and 5.4 million since August of 1993. What I think this translates to is more small business owners having more money to create jobs, to buy more equipment, which creates more jobs.

I think we also have individuals who have more discretion over their own dollars. They can say what they want to buy, when they want to buy it because they have fewer Federal taxes to pay. I think that empowers them to consume more goods, which then translates to more business to more jobs.

So I see it as an engine that is moving in the right direction. I believe that the tax relief package and the tax cuts that we passed are a large part of that.

Mr. CLEAVER. If the gentlewoman will yield. First of all, I agree with your numbers. The job gain during this administration from 2003 to the present does bring the total jobs to 5.4 million. My disagreement with the numbers is that the numbers do not include 2.7 million jobs lost prior to the growth period.

And so if you subtract the 2.7 million jobs that were lost, you actually will have a 2.7 million jobs increase instead of 5.4 million. And I have my own chart. And I do not quarrel with your numbers. But I have taken the numbers in a different direction.

In 2005 dollars, income in 2005 dollars, this chart reflects the tax savings for Americans. And if an individual earned between $10,000 and $20,000 annually, their tax savings will be $2.

$20,000 to $30,000, $9. $16 if you are between $30,000 and $40,000. If you earned $75,000 to $100,000 your tax savings is $403. And it goes on up, $500,000 to a million your tax would be $4,499.

And the point I want to make here is that the people who earn the most get a huge tax cut, and people who do not earn much at all end up at the bottom in terms of the tax cuts. And so all of America cannot celebrate the tax cuts because all Americans are not getting a tax cut that will have any kind of impact in their day-to-day lives.

Mrs. CAPITO. I think the question I would ask you on your chart would be if those folks in the $10,000 to $20,000, and I do not know the answer to this, but I surmise that they really do not pay, by the time they get their deductions, by the time they get their child tax credit, by the time they get their marriage penalty erased, by the time the bracket is moved down, the actual amount that they pay in that income tax brackets is probably very small.

While I admit to you a $2 average tax lowering is diminimus. I mean it is nonexistent for anybody. But my question would be, what is their actual tax burden at that level? And would you be advocating giving a tax break to somebody who does not actually pay the tax? We already have the earned income tax credit, where we try to take some of those things into consideration.

Mr. CLEAVER. I would not support giving any additional tax cuts to people who are already paying virtually no taxes. The earned income tax credit, I think, adequately, appropriately and significantly deals with the people who are at the very lowest end of the income level in this country. And they are paying virtually no taxes.

However, I do think that the tax cuts are inevitably going to be disproportionate because of the disproportionate income. But the problem that I am having with that, in addition to the fact that they are not as equitable as I think we could design them, we are the only Nation in the history of the planet that I can find out that actually moved for a tax cut during a time of war.

Generally during a time of war, we ask the people of the Nation, particularly our Nation, to make sacrifices. And so we are making significant spending a part of our day-to-day living in this country with a conflict going in Afghanistan, a conflict going in Iraq, and who knows what will happen with all of the troubles now in the Palestinian territories as well as in Lebanon.

So I think that we missed a rare but a very, very key opportunity to challenge the people of our country to make sacrifices during this particular time. And one of the sacrifices I think we should have pushed on the American public is that we cannot have tax cuts at a time of war.

Because we are borrowing all of the money. Most Americans probably do not realize this, we are borrowing all of the money we are spending to fight the war in Iraq and Afghanistan.

When people in the country read that we are considering supplemental budgets, they probably do not realize that when we say we are just approving a supplemental budget, it means that we are going out to sell our paper, we are going to out the market the full faith and credit of the United States. We are borrowing money from the U.K., from China, from Japan, and particularly, the Pacific rim countries that are exploding with growth.

Mrs. CAPITO. Well, I think that the way to pay for a war, the war on terror, it is tremendously expensive. We have had many votes on this.

I think we both agree that in order to stand behind our troops and arm our troops and give them the best technology, we want to make sure that we have the dollars in the Federal kitty to be able to do that. I believe that the tax and growth policies that we have put in place, that we need to have the firm and strong engine of the American economy running on all cylinders.

Because if we do not have businesses producing, if we do not have people employed, then we are not going to have the tax collections that we need to sustain what is a tremendously expensive time in our country's history.

□ 2115

But I would like to say, with the tax relief packages that we passed, the two major ones that we passed, we have had a surge in tax revenues. Just this year alone, tax revenues are running 11.1 percent over last year and a 14.6 percent increase over 2005.

So what does that tell me? That tells me that with more discretionary income for the individual, and we also have a higher per capita salary, rates are going up, with more discretionary interest for small businesses. I live in a State where the main economic engine is small business, so hiring that one more person is very significant in a small State like ours, a rural State. Because of the tax relief and the job growth policies that we have put into place, our engine, our economic engine is roaring in terms of employment, in terms of discretionary, in terms of consumer spending. And I think that is reflected in the numbers of our tax collections being higher and higher.

My State of West Virginia, State tax collections are up over $100 million. I happen to live in an energy-rich State, so because of the energy situation, I do have to put my plug in for coal, because of our coal, we are enjoying a good economic stand.

Mr. CLEAVER. I expected that.

Mrs. CAPITO. So I think that the effect of these policies has been for us to be able to have higher tax collections to be able to afford and to be able to cut the growth of the deficit. We were projected that the deficit was supposed to grow by, originally projected to grow $423 billion. That is not good. That is not good. But the good news is it is only expected to grow $296 billion, which is $127 billion less than it was originally projected because of the higher tax.

Mr. CLEAVER. If the gentlewoman would yield, and I want to talk about the increase in tax revenues, but I want to make sure before we leave this subject, this particular area, that one-tenth of 1 percent of Americans, this one-tenth of 1 percent who earn $1 million per year or more will receive 43 percent of the tax cut, while everyday Americans, men and women who earn $50,000 or less, will get 2 percent of the tax break. They will receive a $10 yearly tax cut, or enough to buy barely $3 worth of gasoline. And so the people in

the lower end, as I said earlier, are hurt.

But with regard to the tax revenues that are surprising Democrats and Republicans alike, I would like to just quote Bruce Bartlett, who was an economist with President Reagan and also with the first President Bush. And he said, ''I do not see how President Bush's tax cuts can be given any credit for the booming economy. All we have seen is the upturn we get after every recession. In other words,'' he says, ''without any tax cut at all, we would be pretty much in the same place economically.'' And then Bernanke, the new Fed chief, said, ''I think it is unusual for a tax cut to completely offset revenue loss.'' And I agree certainly with former Reserve Chairman Alan Greenspan who said that tax cuts should be made in the context of a PAYGO resolution, which I support very strongly, and I know there are Republicans who support the PAYGO resolution as well.

And for people who are watching us, what Alan Greenspan is saying is that, yes, tax cuts can be healthy, but the government must become a disciplined body and that they must pay as they go, that we cannot afford to just become ravenous in our spending to the point where we push our country into a very, very dangerous place economically. We are $8.4 trillion in debt, and we have raised the debt ceiling repeatedly to the point now where it is over $9 trillion. And the problem with that constant raising of the debt ceiling is that we are borrowing our children and our grandchildren into significant trouble down the road.

And $1 trillion is very interesting. Most people have difficulty with 1 trillion, and I do, too. However, $1 trillion would equal essentially if a person spent $1 million a day from the time they were born until they were 75 years old, $1 trillion. We are $8.4 trillion in debt. And with that kind of debt, we can ill afford to subtract dollars out of the Federal budget that would generally be coming from tax dollars while we are taking money out, not only with the debt, but with the interest payments, which I will speak to a bit later.

Mrs. CAPITO. Well, I think you have hit on an excellent topic in that the deficit is troubling to all of us. I certainly don't want to pass on to my children and grandchildren a heavy and burdensome deficit. And we found ourselves in a position with the recession, with corporate scandals, with the war on terror, with an attack on our Nation where we had to respond, we have had to beef up our defense, beef up our intelligence, beef up our armaments and at a very, very expensive cost. Not even to mention our homeland security costs, something that unfortunately I wasn't here but I am not sure I would have been any wiser.

That is one thing I don't like about our debate in Congress, we all have great hindsight. We can predict what we would have done, but it is hard to say at the time that we would have been right. But I think we let our homeland security reach a point where we just weren't paying attention, and so we have put billions of dollars, and rightfully so, into not only protecting our localities to helping with our first responders. We found that was a real weakness on 9/11. We are now talking about border security and border protection, which is something that is tremendously important to all of us.

So there is no question that the strains and binds on our budget have been very, very difficult. And what we haven't done, along with the tax and growth policies, is we haven't reined in our spending as well as we should on certain areas where we can be much wiser with the Federal dollar.

But we cannot find ourselves in the situation where we are in now, where we have found this year with the larger tax collections of 11 percent higher that has been able to already demonstrate just this first 6 months that we are now able to say that our deficit growth is going to be $126 billion less than it was projected to be simply because we have more tax, a tax revenue that has been spurred by the economic growth that has been spurred, in my opinion, by the tax cuts and reconciliation packages that we passed.

And I would just like to read one thing to remind myself and everybody else, and this is a little off the subject, but if you will allow me, all the individual taxes that we all pay, we pay State sales tax, a lot of us do in West Virginia, we do, 5 percent on food, 6 percent on everything else; State income tax, local property tax, Federal income tax, capital gains tax, dividends tax, State corporate tax, Social Security payroll tax, FICA tax, gasoline tax, gambling tax, cigarette tax, cell phone tax, telephone tax, Federal State tax, State tax, municipal fees.

I mean, we are taxed not to death, but we are getting there. And I think the best thing that we can control here in Congress is our Federal income tax and the income tax that we assess on our small businesses. That is why I think Americans are always very mindful of their Federal taxes on April 15, but I think that come these past April 15s, with the tax relief, families with children, married couples, families in the lower-income brackets who have been moved either off the rolls or down to the 10 percent bracket have all seen, along with those who make more money on your chart, more than the $1 million, have been able to see more money in their pockets so they can have more discretion and more responsibility over their own personal money, and they don't send that money here to Washington where we spend it or, as you said, overspend it.

Mr. CLEAVER. I agree with you that we are taxed heavily in this country, all the way from these Chambers, this Chamber all the way to city halls around the country. But I do believe in tax cuts, and I think that we would be wise or certainly we would have been wise to have some tax credits to the corporations who engage in a certain amount of research and development. I think if the tax credits can be linked to research and development, then we know that those dollars are going to recirculate, they are going to come back into the budget.

I also think that we ought to give tax credits, that the one we had has expired, for parents who are sending their children to college, they ought to get tax credits. We are going to be locked into a very, very tough competitive battle with India, with China, with Japan, and even with Taiwan; and so we have got to educate as many children as possible, and we have got to make it easy for parents to pay for that college.

But the reason we won't be able to do that, and this is another thing that should cause us to reconsider the tax cuts, is the interest payments on the debt. Now, the interest payments are obligatory, and it is right now the third largest expenditure in the United States Federal budget; and that is very, very dangerous. We can cut Veterans Affairs, we can cut homeland security, we can cut education; but we can't cut net interest because the interest on the debt is obligatory. And it doesn't matter what else happens economically in this country. We have got to pay at least the interest on the debt because the Chinese, the European market will not have an understanding that we are not paying this interest.

And I also think that is extremely dangerous, because we are borrowing money from countries that in all likelihood we are going to have some difficulty with. We are even borrowing money, $50 billion so far, from OPEC.

And how does this fit in with the tax cut? Well, the problem is that we are continuing to borrow money, taking money out of the budget with the tax cut, and the interest is rising. And the interest payments do in fact have a very, very direct impact on taxes. And we would obviously be able to lower taxes if we were able to lower the interest rate.

We have become a debtor nation, and that is not healthy. We owe everybody around the world, and in fact we will end up borrowing $36 million during this 1-hour debate, $36 million during this one hour of debate. And when we are borrowing that kind of money and then giving tax cuts that will not come into the Federal coffers, it seems to me we are working against ourselves.

Mrs. CAPITO. I guess my question to you would be, in looking at your chart, as just a point of clarification for me, the hand chart, the red is the interest payment. Is that correct?

Mr. CLEAVER. Yes.

Mrs. CAPITO. Your solution that you are advocating would be to raise the taxes from where they are right now to pay and meet this obligation. Is that basically correct?

Mr. CLEAVER. No. I think we eliminate the tax cuts, which would allow us to begin to retire our debt. And if we just eliminate the tax cuts, and I will have to fumble through my papers to find out the exact amount of money that we would bring back into the Treasury, but it would be so significant that it could essentially put us in good stead with regard not only to our debt but the interest we are paying, or not only the interest but the debt we have.

□ 2130

Mrs. CAPITO. Okay. To draw a contrast here in our two positions, you would be for eliminating the tax cuts.

Mr. CLEAVER. Yes.

Mrs. CAPITO. I would be for keeping the tax cuts in place, letting them grow for their maturation. I think a lot of them do not kick in for full force until 2010, because the trend that I am seeing is this 11.1 percent more collections, more people working, industrial production increasing 4.3 percent, real hourly compensation rising at 3.2 percent, real consumer spending increasing at 5.1 percent over the first quarter, productivity in the Nation up 3.7.

See, I would say to you that because of the tax relief, because of the job growth package and because of that, we are going to be able to grow ourselves and our economy to meet the needs to be able to take a sizeable chunk out of that red part of your chart.

Mr. CLEAVER. That would be true, but we cannot do everything that we need to do and give the tax cuts. I mean, I think we have to keep in mind the growing cost of the war against terror, and we do not even budget for it. Most of the Americans will probably find it amazing that we do not even budget for the war, and the supplemental budget, of course, is supposed to be for unexpected costs. We did not even budget for the rebuilding of the gulf coast region. All of that finds its way into the supplemental budget, and I am saying that we are borrowing money that we might not have to borrow if we had it in the Treasury, and we would have it in the Treasury if we had not given it in tax cuts.

Now, I want to say that the economic stimulus, the administration's tax cuts in 2003 had particularly low bang for the buck. The moderate economic growth has not been disbursed, as I said two or three times a night, to most American families. After accounting for inflation, the typical American family's income has decreased every year of the Bush presidency for a total reduction of $1,700. Now, that is when you factor in the inflation. It has dropped to $1,700.

The GDP growth in the first quarter this year was, as you said, a strong 5.6 annual rate, but most forecasts, including the economists in the White House, see the growth moderating to around 3 percent over the next few quarters. So, whether you take the economists who lean on the Democratic side or on the Republican side, the truth of the matter is they all agree that things will moderate shortly to around 3 percent in the next few quarters.

So I do not argue with the facts, and we all ought to be happy there is some life injected into the economy right now. I just do not think that we ought to come to the conclusion that it is long lasting, number one; and number two, I think that it would be wrong to assume that all is well in this government so we can give the people a tax cut back because it lulls them into believing that we have no problems.

I want to say that we do have some major problems, some major economic problems, not the least of which is the growing debt that is eating away at us. I thought this was interesting. If we pay $1 per second, it would take us 284,000 years to pay off our debt. 284,000 years to pay off our debt if we paid $1 per second, and that is scary.

The other numbers, if we laid dollar bills side by side all around the globe, we would be able to go around the globe 34,196 times with dollar bills reflecting the debt we have, and we cannot afford to give tax cuts, fight the wars, handle the many issues that come before us at the same time. We just cannot do it.

Mrs. CAPITO. Well, again, I think we are probably going to agree to disagree on this, our policies, and we have disagreed through our votes, I think, on the floor of the House.

I think what I have appreciated about your argument is you have talked about the problems that we have, and I think that is what we need to do in this body. We need to agree on what our problems are, and we have not even touched on some of our bigger ones like Social Security and Medicare for the future, and this is all going to pool into this argument.

So, my suggestion would be that, of course, I believe, and I think I have emphasized that point quite enough tonight, that the policies that we have put in place have us on the right track. What the future will bear, the future will bear, and we will be able to see, but had we not had these policies in place, I do not think we would see this engine moving as quickly as we have.

So I am going to rest my argument here on those facts, on the economic facts, on the facts that in my State of West Virginia, we have some of the historically lowest unemployment we have ever had; and that we have 50,000 West Virginians who have children who are now paying fewer taxes; and that we have 94,000 taxpayers in West Virginia who are benefiting from a lower tax rate; and that we have 510,000 taxpayers who now are in the 10 percent bracket; and we have 194,000 married couples who are paying less, and these are not the wealthy 1 percent.

These are the hardworking people of West Virginia who live in a beautiful State, the same State they want to raise their children in and want to have a future there.

So I will rest my case with that and listen to your final argument.

Mr. CLEAVER. My final argument is, and I think this is a very, very good example or illustration of the disparity between the recipients of the best ends of the tax cut.

Lee Raymond, who was the retiring CEO of ExxonMobil, owns 7.7 million shares of their stock. Now, at the current dividend rate, he would generate, if he sold his stock today, $10 million. On top of that, he will have a $2.5 million tax cut. I think when we see that kind of disparity it has to pull at us that something is dreadfully wrong.

Now, I am not upset with Mr. Raymond. I do not even know him. He may be a nice person. He may want to tithe to the church I pastored, but what I am concerned about is the fact that his total retirement package came close to $400 million, including his 7.7 million shares of stock. That is far more than one human being needs to earn, and I think that people who are earning $34,000, $45,000 a year are going to look at a $2.5 million tax cut for this gentleman and wonder about themselves.

My final point that I have continued to make, as my uncle says sometimes I make the argument poorly, but it is that we cannot do everything. We cannot do everything. We cannot fight a war, $87 billion a year; we cannot fund all of the programs that people lobby you and me every day to fund; and we have used up every single nickel of the Social Security surplus. That is devastating, and we have got to come to grips with pay as we go, like all other Americans. If they want a refrigerator, they try to wait and pay for it.

But what we have done is has been to demonstrate that to the people of the United States that the amount of credit they have, credit debt does not matter. In 2004, we saw the average credit card debt for Americans rise by 63 percent. Now, Asians save on an average of about 20 percent. The savings rate, Mr. Speaker, for the United States, this is embarrassing, is minus zero. We go on the other side. We are not saving any money at all.

So the country looks at us, the Congress of the United States, we are spending wildly, and they have joined in. Because the American public is not saving, the government cannot borrow domestically. We are borrowing some domestically, but when we get ready for the heavy lifting, we are travelling around borrowing money from Caribbean Nations.

I think that reeling in the tax cuts will allow us to address some of those other problems and reduce the amount of borrowing.

Mrs. CAPITO. Well, that is a very respectful debate, and if you are ready, I think we will just kind of close. I think we have covered a lot of our bases, and I want to thank the gentleman from Missouri (Mr. CLEAVER) for, I think, a very instructive debate, and I think we have learned a lot from each other. I certainly have, and I would now like to

move just a little bit about the civility issue in Congress.

I found a couple of quotes, one of which was from Winston Churchill who said, ''Many forms of government have been tried, and will be tried in the world of sin and woe. No one pretends that democracy is perfect or all-wise. Indeed, it has been said that democracy is the worst form of government except all those other forms that have been tried from time to time.''

None other than our first President, President George Washington, when he began, he wrote, ''Rules of Civility and Decent Behavior,'' and it is fun to thumb through this because some of them are telling us not to spit on the floor and make sure we go out clothed and all those things that I think we do do that all right. But the very first one that he has is, Every action done in company ought to be with some sign of respect to those that are present. He also said, ''Think before you speak, pronounce not imperfectly, nor bring out your words too hastily, but orderly, distinctly.'' Those are wise, wise words, I think, from our very first President. I am sure that if he is in Mt. Vernon listening to us right now, or not us, but some of the debate that we have on the floor of the House, then he is not too proud at the level of disrespect that we sometimes show our colleagues.

So I want the thank you for joining with me in this effort. I want to say to all the other Members on both sides that we want this to be an ongoing practice, where we will pick a good topic that we can debate civilly and other such exercises, and we are going to grow this committee, the two of us, so we can return this body to the great esteem, the great integrity, the great respect and the great historical honor that I believe it is due. So I thank Mr. CLEAVER.

Mr. CLEAVER. I thank the gentlewoman. I actually have read George Washington's book on civility. RUSS CARNAHAN, my colleague from Missouri who is from St. Louis, gave me that book shortly after we arrived because I was talking all the time with many of the freshman Members about the issue, and so he very kindly gave me that book.

I think neither of us are likely to change our opinions on the tax cuts, and I think that people who watch, particularly Members of Congress, hopefully realize that talk does not have to be toxic, and in many instances, that is what has happened on this floor. The more convinced we are that our position is sound and moral and ethical and right, the less hostility we need to speak of it.

To give you an example, Ghandi and Martin Luther King, Junior, both believed so deeply in what they were doing and the moral world coming to their side that they were so civil that they were willing to be beaten and to even go to jail. They did not respond in kind to the things that were done, and so on this floor, if we believe deeply in what we are saying, that is even more reason to be civil.

When I was elected to this body, and my father and my sisters and my wife and our 4 children and nieces and nephews all came to Washington, I was very excited over the fact that I was elected to this body. Only 18,000 people in the history of this republic have been able to sit in this Chamber and debate, and we are the only office in the United States that must be elected. You can ascend to the presidency without being elected; you can ascend to the vice presidency; you can ascend to the Senate, to governors, to lieutenant governor, to the to the U.S. Senate and so forth. We have to be elected here.

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If a vacancy occurs, nobody can appoint anyone. We have to be elected. That means that this is a special body. There is nothing like it.

And so I assumed when I came here I would join the likes of James G. Blaine and Cordell Hull, who came to this floor and demonstrated a wizardry of words. Once upon a time, the level of debate and oration in Congress was the envy of the world. We had the example of the silver-tongued spellbinders like Daniel Webster and John Quincy Adams and Henry Clay. And the amazing thing that many Members of this body may not know is that Henry Clay was in the United States Senate, but became so enamored with the debate in the House, that he did something that people would never even think about doing today. He left the United States Senate to become a Member of the House of Representatives, to stand in that well to debate the great topics facing the Nation.

That is one of the things I thought about when I came to this body. Henry Clay was known as the great compromiser, not as the great bomb thrower, but the great compromiser. He is remembered in history because he knew how to work with people on all sides, a compromiser. And somehow we have to come to the conclusion if we want to be remembered, maybe, just maybe we can be remembered better for our ability to work with one another.

We had a situation when I first came here with 25 jobs being lost in Kansas City, and some people told me that I needed to go to war. We were going to lose it anyway, so I needed to go to war with a Republican, FRANK WOLF. It didn't sound right to me. So I did something that was completely stupid. I called FRANK WOLF on the phone, went to his office, we met, we talked about the issue, and he said, Cleaver, you're right.

Twenty-five jobs were saved because I refused to go to war with someone just because he was a member of the other party. And I am convinced that much more could be accomplished here if we worked together.

I have heard this story more than once. Barry Goldwater and Lyndon Johnson are about to launch their Presidential races. Barry Goldwater calls the White House and made a request that would be laughed at today. He asked that he be allowed to ride around the country with LBJ on Air Force 1 and they would stop at various cities and debate the issues. That is the kind of leadership that we need now in this Congress.

I believe a part of the reason that the tone in this Chamber has plummeted so low is because the volume is too loud, literally. Too frequently Members fail to extend the courtesy of attentive and respectful listening to other Members when they speak on the floor. Too frequently volume is so loud in this Chamber with disrespectful and discourteous conversations that Members end up shouting to be heard, and that only contributes to the incivility here in the House.

Let me conclude by saying that as we were thinking about this debate, I looked at everything I could look at, and one of the things that surfaced was that civility derives from the Latin word civitas, which means city, especially in the sense of civic community. Civitas is the same word from which civilization comes, the age-old assumption behind civility is that life in the city has to be civilizing. People could not live in a city without civility. And I believe that we cannot and should not dare to walk into the people's House without a strong and irreversible commitment to civility.

I would like to thank the gentlewoman from West Virginia for this opportunity. I hope that next month we will have other Members of this body joining us for a discussion on something that we feel very passionate about, and will probably not convince the other side, but I think the public will benefit by the debate.

Mrs. CAPITO. I agree with the gentleman, and I have to say additionally that I am a mother of three, and I think sometimes that the lessons that we teach our children, when we come here, we have forgotten. We teach our children not to interrupt; we teach our children to show respect to their classmates and their parents; we teach our children to not say bad words; and we teach our children to listen or be quiet when other people are talking. I have even been in this Chamber when I have heard hissing at another Member when they are speaking.

So I pledge to you my cooperation, and I enjoy your eloquent words.

VETERANS AFFAIRS AND HOMELAND SECURITY

The SPEAKER pro tempore (Mr. POE). Under the Speaker's announced policy of January 4, 2005, the gentlewoman from Pennsylvania (Ms. SCHWARTZ) is recognized for 60 minutes as the designee of the minority leader.

Ms. SCHWARTZ of Pennsylvania. Mr. Speaker, I am pleased to have the opportunity this evening to speak on two