

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 299, AMENDING RULES OF THE HOUSE OF REPRESENTATIVES REGARDING OUTSIDE EARNED INCOME

Mr. SOLOMON, from the Committee on Rules, submitted a privileged report (Rept. No. 104-441) on the resolution (H. Res. 322) providing for consideration of the resolution (H. Res. 322), to amend the Rules of the House of Representatives regarding outside earned income, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 2677, NATIONAL PARKS AND NATIONAL WILDLIFE REFUGE SYSTEMS FREEDOM ACT OF 1995

Mr. SOLOMON, from the Committee on Rules, submitted a privileged report (Rept. No. 104-442) on the resolution (H. Res. 323) providing for consideration of the bill (H.R. 2677) to require the Secretary of the Interior to accept from a State donations of services of State employees to perform, in a period of Government budgetary shutdown, otherwise authorized functions in any unit of the National Wildlife Refuge System or the National Park System, which was referred to the House Calendar and ordered to be printed.

UNAVOIDABLE QUESTIONS REGARDING IMPORTANT NATIONAL ISSUES

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Vermont [Mr. SANDERS] is recognized for 60 minutes as the designee of the minority leader.

Mr. SANDERS. Mr. Speaker, as the only Independent in the Congress, someone who is not a Democrat or a Republican, I want to take this opportunity to raise some questions that my Democratic and Republican colleagues often choose not to deal with, questions which I think get to the root of some of the most important issues facing our Nation. But before I do that, let me say a few words about what is going on in Congress right now in terms of the partial closing down of the Government and the furloughing of some 280,000 American Federal employees.

The Government is shut down, partially shut down tonight for a reason that I think most people do not dispute. That is that the Republican leadership has not been able to pass and get signed the requisite appropriation bills. That is about it, pure and simple. If the appropriation bills were passed, the departments and the agencies would be funded, Government would be running as it always does, and 280,000 Federal employees would not be today furloughed, living in great anxiety, wondering what is going to be happening to them as Christmas approaches.

Mr. Speaker, the reason that the shutdown is taking place is that instead of passing a continuing resolution which would continue the Government's functioning, the Republican leadership is holding hostage the Federal employees, and saying to the President and saying to those of us in the House and in the Senate that "If you do not pass our 7-year balanced budget proposal, we are going to shut the Government down." That is what is going on.

Some of us very strongly object to the Republican 7-year balanced budget proposal. We think that it is right that the country moves forward toward a balanced budget, we think that the budget can be balanced in 7 years, but we very strongly disagree with the priorities that the Republican leadership has established. For example, many of us are terribly concerned about a \$270 billion cutback in Medicare, and a \$163 billion cutback in Medicaid.

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Today the United States remains the only major industrialized Nation on Earth that does not have a national health care system guaranteeing health care to all people. So we already start off in much worse condition than many of the other industrialized nations.

My friend from Connecticut a moment ago mentioned Canada. We border on Canada, and in Canada, every man, woman, and child has health care and goes to the doctor of their choice without out-of-pocket expense. In Europe, different types of programs exist, but in all of the industrialized world, health care is guaranteed to their people. So many of us, therefore, regard it as abhorrent and very frightening that the Republican leadership wants to cut back significantly on Medicare and Medicaid.

Now, I know that many of my Republican friends say well, these are not cuts. Let me talk about that for a moment. If a worker goes to his employer and the employer says, Harry, the good news is that I am going to work out a 7-year contract with you, and today, hypothetically, you make \$25,000 a year, but Harry, at the end of the 7 years, guess what? You are going to be making \$26,000 a year. We are going to be spending \$1,000 more for you at the end of 7 years than we are today. Is that a cut, or is that not a cut?

Well, from the worker's point of view, my guess is that he or she would say, well, you know, thank you, but in 7 years there is a lot of inflation. My food prices are going up, my rent or mortgage is going up; it costs a lot of money to send my kid to college. \$1,000 is more than I am making today, but \$1,000 over 7 years does not keep pace with inflation.

So you can argue that the employer is spending more money, that is true. But you can also argue that from the worker's point of view at the end of 7 years, in this case, he is going to be

significantly worse off because his income has not kept pace with inflation.

Another example: An employer can say to 100 workers that we are going to be spending thus-and-such more for our work force at the end of 7 years, but guess what? We are going to be having more workers. We are going up from 100 workers to 150 workers. Is the employer spending more money? Yes, that employer is. But what happens to the individual worker? It could well be that the wages and benefits that worker receives has gone down.

Within that context, let me say a few words about Medicare. Now, in my State of Vermont, and I do not know that the figures and the statistics in Vermont are much different than the rest of the country, but 12 percent of the people in Vermont who are 65 years of age or older have incomes below the poverty level of \$7,360. Forty percent of senior citizens who are single have incomes below \$14,270. Nationally what we know is that 75 percent of seniors have incomes less than \$25,000. Within that context, let us talk about Medicare.

Under the Republican proposal, Medicare premiums would increase from the current rate of \$46.10 per month now to \$89 per month by 2002. Between now and 2002, seniors would be forced to pay, therefore, about \$1,700 more over that period of time. After 2002, they would pay over \$500 a year more for their premiums.

Now, we hear a whole lot of talk from our Republican friends that this is not a cut, we are spending thus-and-such more; but let us look at it from the other perspective. Let us look at it from the point of view of the a senior citizen in the State of Vermont right now who has an income mostly from Social Security of about \$10,000 a year, \$10,000 a year. Now, for some people with a whole lot of money, a \$500 a year increase in premiums may not be a lot of money, and I can understand that. But if you are living on \$10,000 a year, \$500 increase in premiums is 5 percent of your total income. It makes your Medicare premium payment 10 percent of your total income. That does not include MediGap that many senior citizens take out to cover areas of health care that Medicare does not cover; it does not include prescription drugs. So for elderly people in the State of Vermont and throughout this country who are low income, these cuts in fact are devastating.

Now, in terms of the Medicaid cuts, these are really quite incredible and heartless. At a time when many of us are trying to move this country in the direction of the rest of the industrialized world and are trying to make sure that every man, woman and child in this country has health insurance as a right of citizenship, what Medicaid does is make significant cuts in terms of the number of people who have health insurance.

Under the current Medicaid proposal that our Republican colleagues are

bringing forth, 8 million Americans run the danger of losing the health insurance, the Medicaid that they presently have, and these include some of the most vulnerable and weakest people in this country. We are talking about the danger because Medicaid ceases to become an entitlement program and becomes a block grant left to the discretion of the States. What we are looking at is the possibility of 3.8 million children, children who could lose their coverage, 1.3 million people with disabilities who could lose their Medicaid coverage, and 850,000 senior citizens who could lose their Medicaid coverage.

Further, Medicaid now provides coverage for the premiums and the copayments and the deductibles for many senior citizens. If Medicaid does not cover those premiums and does not cover those copayments and deductibles, you are going to have large numbers of low-income senior citizens who are going to have a very difficult time getting their Medicare coverage.

When we look at the Republican 7-year budget that they want to see passed and by which they are shutting down the Federal Government in order to see passed, we should also understand the gross unfairness of many aspects of that budget. For the life of me, I do not understand how serious people talking about moving toward a balanced budget could be talking about providing \$245 billion in tax breaks, in tax cuts, over the next 7 years.

The sad truth is that many of these tax cuts go to upper income people, and one of the areas that is most outrageous is that the Republican leadership wants to move back to the early 1980s by eliminating or cutting back significantly on the minimum corporate tax, the alternative tax that corporations now have to pay. We will go back to the early 1980s and see a situation where some of the largest, most profitable corporations in America will pay nothing in taxes. They will pay less than the average American worker.

Now, how do we talk about that when people are talking about moving toward a balanced budget? Why do we give huge tax breaks to the largest, the most profitable corporations, to the wealthiest people in America and say, we are serious about moving toward a balanced budget, but we give tax breaks to the rich and we are going to cut back on the weakest and most vulnerable people in the country in terms of health care, fuel assistance, and so forth and so on.

Now, when we talk about moving toward a balanced budget, a funny thing happened on the floor of the House today. Today the Intelligence budget came up, the Conference Report came up for a vote, and that is the CIA and the Defense intelligence agency and the other Intelligence agencies. Now, I am not allowed to tell you how much is in the Intelligence budget, but I can say that the Washington Post reports that it is somewhere around \$29 billion.

Now, a funny thing happens in terms of the Intelligence budget. The Intelligence budget today is being funded at approximately the same level it was funded at the height of the cold war when the Soviet Union, a superpower, was our enemy. Now, why do we continue to fund the Intelligence budget and the CIA at roughly the same level as we did during the height of the cold war when during the cold war half of our Intelligence budget was used in opposition to the Soviet Union and the Warsaw Pact?

I found it amazing as I was on the floor of the House this afternoon talking about the Intelligence budget that all of the deficit hawks, all of those folks who were telling us how we really have to cut back on the children, the elderly and the poor in order to balance the budget, they were not here talking about the fact that the CIA and the Intelligence community is getting far, far more than it needs, given the fact that the Cold War has ended.

Furthermore, it is an amazing thing that when we talk about deficit reduction, my, my, my, is it not funny that our Republican friends are asking for 20 new B-2 bombers at \$1.5 billion each that the Pentagon does not want. But that is okay. It is a strange way to look at deficit reduction by putting \$7 billion more this year into the defense budget that the Pentagon wants. More money for B-2 bombers, more money for star wars.

We now have troops in Bosnia, yet every year we continue to spend \$100 billion defending Europe and Asia against who, against what? The last I heard, the Soviet Union does not exist, the Warsaw Pact does not exist; yet our taxpayers continue to spend \$100 billion a year defending Europe and Asia against whom we do not know. So it is very funny that when we talk about the need for moving toward a balanced budget and deficit reduction, which I support, we also, from the Republican point of view, are talking about significant increases in military spending, increases in the Intelligence budget, huge tax breaks to the wealthiest people in the country.

Furthermore, there is another area that gets relatively little discussion, and that is corporate welfare. A number of months ago I attended a very unusual press conference, because there were people, really right-wing people from the Cato Institute, you had centrists from the Democratic Leadership Conference, the Progressive Policy Institute, and then you have progressives, Ralph Nader and other members from the progressive caucus were there, and we all agreed that every single year this country spends about \$125 billion a year in corporate welfare. That is tax breaks and subsidies for large corporations and wealthy individuals.

Amazingly enough, while our Republican friends tell us we have to cut this and we have to cut that and we have to cut programs for homeless people and

for the most vulnerable people in this country, they only made a tiny step forward in terms of corporate welfare.

So I would suggest, Mr. Speaker, that it is very wrong for the Republican leadership to hold 280,000 Federal employees hostage while they try to force the President and Members of Congress to accept their disastrous and unfair 7-year approach toward a balanced budget. Yes, we can move forward toward a balanced budget, but we can do it in a fair way and not in a way which hurts tens of thousands of middle-class Americans, working people, senior citizens, children, and low-income people.

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Mr. Speaker, let me move on to a few other issues which I think are of great importance to our country, and let me shock some of the Members of Congress and perhaps some of the viewers by asking this question which I think is not asked terribly often on the floor of this House. That is, to what degree is the United States of America today, in December 1995, actually a democracy?

Are we still a nation in which the ordinary people of this country have the power? Do they have the power to make the decisions through the Congress which impacts on their life? Are we a democracy, or are we more and more moving toward an oligarchy, and that is a Nation that is owned and controlled by relatively few very wealthy individuals and large corporations.

Let us examine that issue for a moment. We hear from our Republican friends every day about the mandate that they have inherited, as a result of last year's election, to slash Medicare, Medicaid, student loans, environmental protection, Head Start, and many other important programs. They have a mandate.

Well, what percentage of the American people voted in the last election? Was it 70 percent? Eighty percent? Recently in Canada when Quebec was debating whether or not to secede from Canada as a whole, 93 percent of their people voted in that election. Sweden recently had an election, last year. Over 80 percent of the people voted in that election. More than 70 percent of the people usually vote in European elections.

What percentage of the people voted to give Mr. GINGRICH and the Republican leadership their mandate? Well, it turns out that 38 percent of the American people voted. Some 62 percent of the people did not vote.

And the very, very sad and scary truth is that the United States has today by far the lowest voter turnout of any major nation on Earth. That is the first point to make. The majority of the people did not vote in that election and very often the majority of the people do not vote.

Second of all in terms of elections, who does vote? What we know is that generally speaking the percentage of those people who vote fluctuates by their income. In America today, by and

large low-income people, poor people, almost do not vote at all.

I suspect that in many States you will have 10, 15 percent of low-income people voting, and because they do not vote and do not participate in the political process, they are red meat for those people who want to go after them because they have no power. You can cut Medicaid, you can cut AFDC, you can cut any program for low-income people. They cannot fight back. They do not vote. Many working people do not vote. The higher income level that you are, the more likely it is that you might vote.

Third, what is important to ask and debate when we talk about our political process is a very important issue, and that is, what role does money play in the political process? Today in America, are we living in a country where just any old person can stand up and say, you know, I have got some good ideas, I want to be Governor of my State or I want to be U.S. Senator, I want to go to the House. Can any American do that?

Well, in one sense they can. But the reality that everybody understands is, is that if you want to run for a major office, for President, for Congress, for Governor, you need to have a whole lot of money. More and more when you pick up the papers and you hear about who is running for Congress, who is running for Governor, what do you hear? You hear millionaire, so forth and so on, is running for the U.S. Senate.

Interestingly enough, let us look at even what is happening recently with Presidential elections. I am not here to criticize Ross Perot. I respect his point of view, for example, on the trade issues and on NAFTA. But I think it is fair to say that nobody believes that Ross Perot would have been a major candidate, a serious candidate for President, as he was, getting 19 percent of the vote, if he was not worth \$3 or \$4 billion and could put tens of millions of dollars into his own election.

There are a lot of people out there smarter than Ross Perot and smarter than me, smarter than many Members in the House. They cannot run for office because they are not millionaires, they are not billionaires.

Right now there is a Republican candidate trying to get the Republican nomination for President. His name is Mr. Forbes. I am not here to criticize Mr. Forbes, but I think it is widely acknowledged that he would not be a serious candidate if he were not worth hundreds of millions of dollars and were not buying the airwaves in New Hampshire and Iowa wherever there is a primary. He is trying to buy the Presidency.

The same thing is going on all over America in races for the House, races for the Senate, races for the Governor's chair. Millionaires are taking out their checkbooks, writing themselves a check and are spending as much money as they want in order to buy elections.

I do not think that is what democracy is about.

And I think it is important to point out that right now in the U.S. Senate, to the best of my knowledge, about 29 percent, 29 Members of the Senate, are millionaires. It is important to point out that in the last election of the Republican freshman class, the revolutionaries, about 25 percent of those people are also millionaires.

That is the trend. If that trend continues, we will have to rename the U.S. House of Representatives into the House of Lords because it will be dominated by people who come from the very upper-income strata of America and not from the ranks of the middle class or the working class of this country.

But it is not only millionaires. It is people running and then going out and having to raise enormous sums of money from big-money special interests. In, I believe, February of this year, the Republican Party held a fund raiser in Washington, DC, and at the end of one night they raise \$12 million from some of the wealthiest people in this country and some of the largest corporations. Mr. GINGRICH's history is well known to be an extraordinarily good fund raiser from corporate America and from wealthy people.

So what you end up having is an institution which is composed of many, many wealthy people, and those people who are not wealthy are very often beholden to big money interests.

And then the third aspect of my concern about whether or not we are really a vibrant democracy has to do with the media. How do we get the information out so that people can learn about what is going on in the Congress and other aspects of our life?

Mr. Speaker, I am terribly, terribly concerned by the growing concentration of ownership of the media in America. It is a very serious problem which is not being discussed at anywhere near the length and the degree to which it should be discussed here in the Congress.

It is a scary proposition that NBC is owned by General Electric. General Electric will benefit from the Republican tax proposal. Their taxes will go down. General Electric will benefit from the labor legislation and the antiunion legislation that is being proposed by the Republicans. General Electric gains by increased military spending. General Electric has enormous conflicts of interest in terms of their ownership of NBC.

ABC is owned by Disney right now, the Walt Disney Co. Several years ago the owner of Disney, Mr. Eisner, made \$200 million in one year. CBS will shortly be owned by Westinghouse Corp. The Fox Television Network is owned by the right-wing billionaire Rupert Murdoch.

The end result of that is that the corporate ownership of television prevents serious discussions about whole lots of issues that I think the American peo-

ple should be hearing about. That is an issue of real concern which also I think impacts our ability as a nation to become a vibrant democracy.

Points of view which are different from corporate America's, points of view which are different from the big money establishment are in fact very, very rarely heard in the media. Very often you hear these talk shows and the range of points of view goes from the extreme right to the center.

There is not a progressive point of view which is heard very often on television or for that matter on the radio. It is not an accident that Rush Limbaugh is all over the airwaves, that G. Gordon Liddy is all over the airwaves.

Recently, as you may know, Mr. Speaker, Jim Hightower, former Commissioner of Agriculture in Texas, had a very good, in my view, radio program, from a progressive point of view. It reached out to about 150 different radio stations throughout the country. ABC pulled the plug. He criticized the Disney Corp. and they basically said, "We don't want that point of view. You're not allowed to criticize the Disney Corp." who happens to own ABC.

Mr. Speaker, in one sense when we talk about politics, it can be very confusing to people. Because as you know, politics deals with literally hundreds and hundreds of issues. Every single day there are committee meetings here going on in the Congress which deal with every conceivable problem that anybody could think of.

But in another sense, government and politics really is not all that complicated. That is to a large degree what politics is about, is who gets what. Follow the money.

When the New York Giants play the Dallas Cowboys, at the end of the game, you know who has won the game. Somebody has won, somebody has lost. And to a large degree, Mr. Speaker, politics is very much like that. Somebody or some class or some group is winning. Other groups are losing.

Mr. Speaker, let me talk for a moment about who is winning in our society and who is losing. What is going on in America today in many ways reminds me of Dickens' book the "Tale of Two Cities" where he begins it, roughly speaking, "It was the best of times, it was the worst of times." He was talking about the period of the French Revolution.

That is what is going on in America today. It is the best of times for some people. It is the worst of times for many, many other people.

Right now in America the richest people in our country have never had it so good. It is the best of times. The stock market is at an all-time high. Corporate profits are soaring. Our chief executive officers of major corporations now earn about \$3 million a year, and it is Christmastime and their corporations are giving them very generous bonuses. In fact, life for the rich in America has never been better.

In the last 20 years, the wealthiest 1 percent of American families saw their after-tax incomes more than double. When we have debates and discussions here, the assumption is that all Americans are in this together, we are all in the happy middle class. Nothing could be further from the truth.

While the wealthiest people have seen their after-tax incomes more than doubled, these very same people, the wealthiest 1 percent, now own a greater percentage of our Nation's wealth than at any time since the 1920's. So for the rich, things are going great. The number of millionaires and billionaires is skyrocketing. They have as many houses as they want, they go on vacations all over the world, they drive around in their big fancy limousines.

Things are really great for those people who attend the fund-raising dinners that contribute to pay \$1,000 a plate to the political parties. In Vermont, I often ask people when I have town meetings, "Anyone go to dinner lately for \$1,000 a plate?" and people laugh because they cannot believe that there are individuals who can pay so much money to a political party.

So for the rich, the people on top, things have never been better. But what about the rest of the population? Mr. Speaker, since 1973, 80 percent of all American families have seen their income either decline or remain stagnant. The average American today is working for longer hours, for less income, and is terribly, terribly frightened about the future for his or her child.

Mr. Speaker, 20 years ago, American workers were the best compensated workers in the entire world. We were No. 1. Today tragically American workers rank 13th among industrialized nations in terms of compensation and benefits.

Mr. Speaker, I am sure that you have read in the newspapers about how many European companies are coming to the United States to invest.

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Do you know why they are coming to the United States to invest? This is hard to understand or appreciate for older Americans, even people my age. They are coming to America now because we provide cheap labor. In other words, they can come to America, get hard-working, intelligent workers in this country who will work for \$7 an hour, who will work for \$9 an hour with limited benefits. On the other hand, in Europe, they would have to pay those same workers \$20 an hour or \$25 an hour.

Mr. Speaker, adjusted for inflation, the average pay for four-fifths of American workers plummeted by 16 percent in the 20 years between 1973 and 1993. In other words, Mr. Speaker, there is a depression going on now for the vast majority of the working people. That may not be reflected in this institution because many of the people here were elected to represent the people on top.

But those of us who see it as our job to represent the workers and the middle class and the low income people, when we go home every weekend, we know that there is a depression out there. In my State of Vermont people are not working two jobs to make ends meet, they are sometimes working three jobs.

Mr. Speaker, as bad as the current situation is for our workers, it is worse for young workers. In the last 15 years, the wages for entry-level jobs for young men who have graduated high school has declined by 30 percent. Twenty years ago there were factory jobs out there that people could get with a high school degree. They did not get rich, but they worked hard and they made it into the middle class. For young women entry-level wages have dropped by 18 percent. Families headed by persons younger than 30 saw their inflation-adjusted median income collapse by 32 percent from 1973 to 1990. In other words, as bad as the situation is for the average American worker, it is worse for our young workers.

Mr. Speaker, Americans, if you can believe this, at the lower end of the wage scale are now the lowest-paid workers in the entire industrialized world. Eighteen percent of American workers with full-time jobs are paid so little that their wages do not enable them to live above the poverty level. And this decline is not just for high school graduates. It is for college graduates as well.

Between 1987 and 1991, the real wages of college educated workers declined by over 3 percent. Over one-third of recent college graduates have been forced to take jobs not requiring a college degree, twice as many as 5 years ago.

Mr. Speaker, one of the great crises in our country today is that the majority of new jobs being created today pay only \$6 or \$7 an hour, jobs that offer no health care benefits, no retirement benefits and no time off for vacations or sick leave. In fact, more and more of the new jobs that are being created are part-time or temporary jobs. In 1993, one-third of the United States work force was comprised of contingent labor. That number, that is temporary workers. That number is rapidly escalating.

Mr. Speaker, I see my friend from Hawaii is here. I will get to him and share the mike, if I can, in a few moments, if we can do that.

Mr. Speaker, in the past 10 years the United States has lost 3 million white collar jobs; 1.8 million jobs in manufacturing were lost in the past 5 years alone. Mr. Speaker, I find it interesting that our Republican friends are so anxious to provide huge tax breaks for large corporations. Boy, are they ever deserving.

Why should we not give Ford and AT&T and General Electric and ITT and Union Carbide major tax breaks? After all, these five companies alone have themselves laid off over 800,000 American workers in the last 15 years. In other words, sure, let us give them

huge tax breaks where the CEOs are making huge salaries, where they are taking our jobs to Mexico and to China, where they are downsizing all over the place, why not reward them? Sure. Let us lower their taxes so we can raise taxes on the working poor by cutting back on the earned income tax credit or by cutting back on a whole host of other benefits.

Mr. Speaker, today the richest 1 percent of our population owns close to 40 percent of the nation's wealth. I do not hear my Republican or many of my Democratic friends talking about this too much. The richest 1 percent now own more wealth than the bottom 90 percent; 1 percent here, 90 percent there.

In fact, the wealthiest 1 percent are worth, were worth \$3.6 trillion in 1992 or the bottom 90 percent, the vast majority of the people, were worth \$3.4 trillion. Today we have in this country the most unfair distribution of wealth in the industrialized world, and that gap is growing wider.

I know some people think, well, in England they have the kings and the queens and the dukes, all that royalty, boy, that is real class society. Well, guess again. We have a more rigid and more unfair class situation in America today than England does by far. Prof. Edward Wolf of New York University recently said we are the most unequal industrialized country in terms of income and wealth, and we are growing more unequal faster than any other industrialized country.

What is going on basically is that the rich are getting richer. The middle class is shrinking, and poverty is increasing. Mr. Speaker, in 1980, the average CEO earned 42 times what the average factory worker earned. Today that CEO now earns 149 times what that factory worker is earning. Rich get richer; everybody else gets poorer.

Mr. Speaker, I want to say a word about the deficit, a very important issue. I find it interesting that many of our friends who want to cut Medicare and Medicaid, environmental protection, workers rights, student loans, because they are very concerned about the deficit, they do not talk about the causation of the deficit. How did we get to where we are right now? One of the things that is not talked about here very much is the tax structure of America.

In 1977, President Carter, a Democrat, and in 1981 and 1986, President Reagan, a Republican, instituted so-called tax reform with the support and approval of the mostly Democratic Congress. The result of this so-called tax reform was to significantly lower taxes on the wealthy and the large corporations and raise taxes on almost everyone else. Taxes on the very wealthy were cut by over 12 percent, while taxes on working and middle class Americans increased.

One of the, quote unquote, reforms was a major increase in the regressive Social Security tax. According to a

study conducted by the House Committee on Ways and Means, the top 1 percent of taxpayers saved an average, saved an average \$41,886 in 1992 over what their taxes would have been at 1977 rates. In fact, and, gee whiz, I do not know why we do not talk about this too much, but if, in fact in 1977, individual Federal tax rates had been in effect in 1992, the nation's wealthiest 1 percent, the very richest people in America, would have paid \$83.7 billion more in taxes, which is about half of what the deficit is right now.

So in other words, from 1977 to 1981 and 1986, we gave huge tax breaks to the rich and the large corporations, helped create the deficit. And now to solve the deficit crisis we cut back on Medicare, Medicaid, fuel assistance, affordable housing, student loans and many, many other programs. You give to the rich and you take from the poor and the working people.

Mr. Speaker, I am delighted that the gentleman from Hawaii [Mr. ABERCROMBIE] has joined us.

Mr. ABERCROMBIE. Mr. Speaker, I thank the gentleman from Vermont. My remarks at this stage have to do precisely with this question of the deficit and very frankly, Mr. SANDERS, why we are here this evening. It may be that some of our colleagues and perhaps others who will be paying attention to our remarks here are wondering why four days before Christmas are we here doing this?

For those who are not aware, perhaps even among our colleagues, we passed a, not we, I think the gentleman and myself voted against it today, a resolution to go on recess. Perhaps you could comment, has this deficit gone on a recess? Has this lust to so-called balance the budget gone on a recess?

Mr. SANDERS. As I said earlier, it seems to me to be extremely cruel for Congress to go into recess, and I know that you and I voted against that, for Congress to go into recess while 280,000 Federal employees are living in a great deal of anxiety, not knowing what is happening to their financial situation, while millions of Americans who are dependent upon government services are unable to get those services, that has not gone into recess.

Mr. ABERCROMBIE. If I am not mistaken, is not the gentleman from Vermont a member of the veterans' committee?

Mr. SANDERS. No, I am not.

Mr. ABERCROMBIE. I beg your pardon. I had heard you speaking previously at one point, if I am not mistaken, about veterans' programs.

Mr. SANDERS. Absolutely right. One of the outrages of what is going on in terms of the overall budget that the Republicans are bringing forth is, you know, I always get a kick out of, on Veterans Day, all the politicians going out, thank you, veterans, for all of your sacrifices. God only knows the terrible sacrifices in World War II and Korea and Vietnam and elsewhere that your veterans made, many of them

wounded in body and in spirit. Yet the Republican budget over a 7-year period would make slashing cuts in the VA and in veterans' programs.

Right now, thank God, last night we were able to late at night, as you know, we were able to make sure that our veterans' pensions and their compensation checks were able to go out, but in fact the VA still remains largely closed down. And those people who want to apply for new VA veterans' benefits are unable to do so while this Congress goes into recess.

Mr. ABERCROMBIE. Is it not a fact, though, that those veterans, whom we are all very happy about in terms of at least being able to receive some benefits, they in fact are voters? Is there not a large group of people, is it not a fact that there is a large group of people, the children of this country, who are going to be aversely affected or left out of the equation?

Mr. SANDERS. Obviously, one of the frightening aspects of what is going on right now, and we hope that it will be rectified, but we do not know that it will, is you have millions and millions of children on AFDC, whose families have basically no money, who will suffer incalculable pain if those checks do not go out.

Seventy percent of the people on welfare in this country are children. We are concerned that Medicaid appropriations go out to the States so the people who utilize the Medicaid program receive the funding that they need. But the point that you are making is well taken. The children will be hurt very, very seriously unless this government reopens and unless the programs that we have pledged to provide for them are in fact provided.

Mr. ABERCROMBIE. In that context, if the budget as proposed by the Republican majority, all of whom have disappeared tonight, comes into effect, is there not another class of vulnerable people who will be adversely affected, the elderly in need of Medicare assistance, particularly those in nursing homes?

The gentleman may be aware of a Consumers Union and National Citizens Coalition for Nursing Home Reform report which just came out, and I am quoting from it, saying that the budget reconciliation bill that we have yet to consider from the Republican majority, and I am quoting now, "would endanger the lives of America's most vulnerable elderly citizens" by providing no standards of care.

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I know the gentleman has spoken in the past in this area, that, minus the rules that are in effect now enforced by the Federal Government, the much maligned Federal Government, it is easy to talk about it when it is taxation, but when it comes to assisting the helpless, assisting the elderly, assisting those most in need, which is, after all, the fundamental basis of governmental assistance in the first place, are we

taking care of those in the community that need the assistance? Is it not the case, would the gentleman agree, that it is precisely those people on Medicaid, in the nursing homes, who need the protection of Government, who would be most adversely affected should this budget move forward?

Mr. SANDERS. I would simply say, as I said earlier, and it is painful to have to say this at the holiday season especially, that it is a very sad state of affairs when this Government is cutting back on the weakest and most vulnerable people, elderly people in nursing homes, senior citizens who try to exist on \$7,000 a year or \$10,000 a year, low-income children, and we already have—one of the things that is really upsetting is that in addition today, before any of the Republican cuts would go into effect, this Nation today has by far the highest rate of childhood poverty in the industrialized world, and, as I think my friend from Hawaii knows, the estimate is, if the so-called welfare reform bill goes through, another million-and-a-half children will be added to the poverty rolls.

What sense—what is this Congress about when we increase childhood poverty, when we cut back on disabled people, on vulnerable senior citizens in order to give tax breaks to the richest people in this country, whose incomes are already soaring, to the largest corporations who are already enjoying record-breaking profits as they take our jobs to Mexico and China?

Mr. ABERCROMBIE. Is it not the case then in the very areas where we are cutting children and elderly, in those very cases where there are clear changes adversely affecting those groups, that the gentleman had made a detailed presentation this evening on, the exact opposite situation coming into effect when it comes to what I call tax giveaways? These are not cuts, although it is portrayed in the press over and over again, I guess in shorthand version, \$245 billion in tax cuts as if something was being taken away. Is it not the case, is it not the fact, that it is the exact opposite, that these are giveaways, that the speculative stock market that is operating right now is waiting with the proverbial bated breath for these tax giveaways to come into effect so they can take advantage of the speculative market that has been created?

Mr. SANDERS. My friend has been in politics for long enough to know that when people invest hundreds of thousands of dollars into a political party, when they give candidates large sums of money, what they are doing is making an investment for the future that is not bad. So, if a large company contributes a large amount of money to a party, and occasionally to the Democratic Party, and what they end up getting is major tax decreases, if the rich pay less in taxes, it is a pretty good investment.

Why not contribute a thousand dollars and pay \$5,000 less in taxes?

Sounds like a pretty good deal to me, and that is, of course, what is going on.

What I would like to do with the gentleman's indulgence for a moment is to provide an alternative point of view as to where we should be going as a country, and let me just touch on a number of issues that I think this Congress should be dealing with tomorrow. Instead of cutting Medicare, and Medicaid, and student loans, let us look, in fact, what a Congress that was responsive to the needs of middle-class Americans and working people might be doing:

No. 1, raise the minimum wage. We cannot continue to have a minimum wage of 4-and-a-quarter an hour and have people working 40 hours a week and still living in poverty. The new jobs that are being created are low-wage jobs. Raise the minimum wage to at least \$5.50 an hour.

Second, when we talk about welfare reform, and welfare does need to be reformed, we need jobs, we need jobs rebuilding America. There are so many needs, I am sure in Hawaii, and in Vermont, and all over this country. Our infrastructure is falling apart. We need help in improving our environment. Instead of laying off teachers, we need more teachers, we need more people going out to prevent disease. We can put large numbers of people to work at meaningful, important jobs at decent-paying wages instead of spending a hundred billion dollars a year defending Europe and Asia against a non-existent enemy.

Let us rebuild America and put our people to work doing so.

Mr. ABERCROMBIE. Would the gentleman agree then perhaps his \$240 to \$245 billion that is now scheduled to go in tax giveaways might better be invested then in the people's structure and infrastructure of our country?

Mr. SANDERS. Of course we could cut back on the cost of welfare and unemployment insurance by rebuilding this country and putting our people to work.

Another issue that we do not talk about virtually at all here is you know we hear every day about the serious problem, and it is a serious problem, of the national deficit, which this year is about \$160 billion, and I should remind my colleagues that the deficit has almost gone down by half in the last 4 years, but it is a serious problem. But there is another deficit out there that we hardly ever talk about. That is the trade deficit.

Mr. Speaker, this year our trade deficit will be at a record-breaking level, about \$160 billion. The economists tell us that, for every billion dollars in trade, an export creates about 20,000 American jobs. That means—and often good-paying jobs. That means that \$160 billion trade deficit equates to about 3 million jobs that we are losing as opposed to having a budget-neutral trade deficit.

In my view the NAFTA proposal was a disaster when it was proposed, and

now, after it has been in place, it has turned out to be an absolute disaster. We have to repeal NAFTA, we have to repeal GATT, we have to repeal most-favored-nation status with China.

One of the untold secrets about what is going on in this country is that corporate America is, in fact, creating millions of decent-paying—millions of jobs, millions of jobs every year. The only problem is those jobs are not being created in America. They are being created in Mexico where you could get a good, hard workers for 50 cents an hour, they are being created in China, where you can get workers there for 20 cents an hour, they are being created in Malaysia, all over the Far East.

We need to radically change our trade policy, reward those American companies that are investing in this country and providing jobs for our workers, and figure out a way to demand that corporate America reinvest in this country and not run to China and to Mexico.

Further, it seems to me that, if we talk about justice, which is a word not often used on the floor of the House, we must reform the tax system to make it fair. We cannot continue to have the most unfair distribution of wealth and income in the industrialized world. Between 1977 and 1989 Carter and Reagan and the Congress gave the highest earning 10 percent of Americans a tax cut of \$93 billion a year. Clearly what we need to do is move forward toward a simple, but progressive, tax system which says to the wealthiest people in this country they have got to start paying their fair share of taxes so that we can deal with the deficit, so that we can lower taxes on the middle class and the working people.

Also I think when we talk about, and I know my colleague from Hawaii shares my concern on this issue; it is very sad, it seems to me, that we have now got to spend all or our energy fighting against the disastrous cuts in Medicare and Medicaid rather than moving forward toward a national health care system guaranteeing health care to all people. What absurdity that right now, as a result of Republican proposals, more people are going to lack insurance. Clearly we should be moving forward, in my view, toward a single-payer State-administered system which guarantees health care to all Americans, and that is an issue we cannot forget.

Yes, we have got to fight against the Medicare and Medicaid cuts, but, on the other hand, we have got to retain that vision for fighting for a national health care system which guarantees health care to all.

Mr. ABERCROMBIE. I believe the gentleman would agree that the proposal before us now, far from creating a national health care system, would do the exact opposite.

An article from the New York Times from the 31st of October indicates, and I am quoting:

The House version of the legislation would allow doctors to start physician-run health groups without the financial and regulatory requirements that States impose on similar organizations. Instead the House bill would authorize development of a new Federal regulation to police the doctors. The bill could make it easier for doctors to set prices in a way that now violates antitrust laws.

This would be the ultimate result.

I know the gentleman's time is coming fairly close to an end. I just want to indicate at this juncture that I stand with him on this, and I think it is very important during these special orders for us to come down here and try and cut through the ritualized rhetoric that is on the floor about a balanced budget and start talking about balancing our communities in terms of opportunity and justice.

Mr. SANDERS. I thank the gentleman from Hawaii [Mr. ABERCROMBIE] for joining me, and let me just conclude by saying two other things.

No. 1, it goes without saying that we need campaign finance reform so that big money cannot continue to buy the U.S. Congress, and we also need to reform labor law. There are millions of American workers who would like to join unions so that they could better fight for their rights on the job, so they can get a fair shake, and yet labor law today makes it almost impossible to do that. Almost all of the power rests with the employer. It is very hard for workers to organize. We need labor law reform.

Let me simply conclude by thanking my friend from Hawaii for joining me, but for also saying to the American people do not give up on the political process. Some want you to do that. If you are a low-income person or working person, what they want to say to you is hey, it is all very complicated, do not get involved, everybody in Congress is a crook, the whole thing is corrupt, you do not want to get involved.

Do not believe a minute of it. The wealth and the big money interests, they know how the political system works. They are the ones who contribute huge amounts of money to the candidates of their choice and the political parties of their choice. They are the ones who have lobbyists knocking on our doors every day so we can give more tax breaks to the rich, so we can make it easier for them to take our jobs to Mexico or China.

Mr. Speaker, if this country is going to be turned around, tens of millions of working American middle-class people, low-income people, are going to have to stand up and say this country belongs to all of us and not just the very rich. It is not utopian to say that we can create a decent standard of living for every man, woman, and child. We can do it. We do not have to have the most unequal distribution of wealth in the industrialized world.

So, let us get involved, let us vote, let us participate, let us follow what is going on here in Congress. We can turn this country around.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to.

Mr. EDWARDS (at the request of Mr. GEPHARDT), for today, on account of the birth of his son.

Ms. HARMAN (at the request of Mr. GEPHARDT), for today, on account of official business.

Mr. BRYANT of Texas (at the request of Mr. GEPHARDT), for today, on account of attendance at the funeral of a close friend (Max Goldblatt of Dallas).

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. PALLONE) to revise and extend their remarks and include extraneous material:)

Mr. POSHARD, for 5 minutes, today.

Ms. KAPTUR, for 5 minutes, today.

Mr. RUSH, for 5 minutes, today.

Mr. VOLKMER, for 5 minutes, today.

Mrs. MALONEY, for 5 minutes, today.

Ms. DELAURO, for 5 minutes, today.

Mrs. SCHROEDER, for 5 minutes, today.

Mr. PALLONE, for 5 minutes, today.

(The following Members (at the request of Mr. FOLEY) to revise and extend their remarks and include extraneous material:)

Mrs. MORELLA, for 5 minutes, today.

Mr. ENGLISH of Pennsylvania, for 5 minutes, today.

Mr. KIM, for 5 minutes, today.

Mr. MICA, for 5 minutes, today.

Mr. GOSS, for 5 minutes, today.

Mr. BUYER, for 5 minutes, today.

Mr. CHRYSLER, for 5 minutes, today.

Mr. NORWOOD, for 5 minutes, today.

Mr. KINGSTON, for 5 minutes, today.

Mr. COLLINS of Georgia, for 5 minutes, today.

Mr. MARTINI, for 5 minutes, today.

Mr. GEKAS, for 5 minutes, today.

Mr. METCALF, for 5 minutes, today.

Mr. HUNTER, for 5 minutes, today.

Mr. SAXTON, for 5 minutes each day, today, and on December 22.

Mr. SHAYS, for 5 minutes, today.

(The following Member (at her own request) to revise and extend her remarks and include extraneous material:)

Ms. WATERS, for 5 minutes, today.

(The following Member (at her own request) to revise and extend her remarks and include extraneous material:)

Ms. NORTON, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. MCINNIS, for 5 minutes, today.

(The following Members (at their own request) to revise and extend their remarks and include extraneous material:)

Mr. VENTO, for 5 minutes, today.

Ms. JACKSON-LEE, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. DORNAN for 5 minutes, today.

SENATE BILLS AND A CONCURRENT RESOLUTION REFERRED

Bills and a concurrent resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1228. An Act to deter investment in the development of Iran's petroleum resources to the Committee on International Relations and the Committee on Banking and Financial Services.

S. 1429. An Act to provide clarification in the reimbursement to States for federally funded employees carrying out Federal programs during the lapse in appropriations between November 14, 1995, through November 19, 1995; to the Committee on Government Reform and Oversight.

S. Con. Res. 34. Concurrent resolution to authorize the printing of "Vice Presidents of the United States, 1789-1993"; to the Committee on House Oversight.

ENROLLER BILLS AND JOINT RESOLUTION SIGNED

Mr. THOMAS, from the Committee on House Oversight, reported that that committee had examined and found truly enrolled bills and joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 1530. An act to authorize appropriations for the fiscal year 1996 for military activities of the Department of Defense, for military construction, and for defense activities for the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes;

H.R. 965. An act to designate the Federal building located at 600 Martin Luther King, Jr. Place in Louisville, Kentucky, as the "Ramano L. Mazzoli Federal Building";

H.R. 1253. An act to rename the San Francisco Bay National Wildlife Refuge as the Don Edwards San Francisco Bay National Wildlife Refuge;

H.R. 2481. An act to designate the Federal Triangle Project under construction at 14th Street and Pennsylvania Avenue, Northwest, in the District of Columbia, as the "Ronald Reagan Building and International Trade Center";

H.R. 2527. An act to amend the Federal Election Campaign Act of 1971 to improve the electoral process by permitting electronic filing and preservation of Federal Election Commission reports, and for other purposes;

H.R. 2547. An act to designate the United States courthouse located at 800 Market Street in Knoxville, Tennessee, as the "Howard H. Baker, Jr. United States Courthouse";

H.J. Res. 69. Joint resolution providing for the reappointment of Homer Alfred Neal as a citizen regent of the Board of Regents of the Smithsonian Institution;

H.J. Res. 110. Joint resolution providing for the appointment of Howard H. Baker, Jr. as a citizen regent of the Board of Regents of the Smithsonian;

H.J. Res. 111. Joint resolution providing for the appointment of Anne D'Harnoncourt as a citizen regent of the Board of Regents of the Smithsonian Institution; and

H.J. Res. 112. Joint resolution providing for the appointment of Louis Gerstner as a citizen regent of the Board of Regents of the Smithsonian Institution.

BILLS PRESENTED TO THE PRESIDENT

Mr. THOMAS, from the Committee on House Oversight, reported that that committee did on the following day present to the President, for his approval, bills of the House of the following title:

On Dec. 20, 1995:

H.R. 395. An act to designate the United States courthouse and Federal Building to be constructed at the southeastern corner of Liberty and South Virginia Streets in Reno, Nevada, as the "Bruce R. Thompson United States Courthouse and Federal Building".

ADJOURNMENT

Mr. ABERCROMBIE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 9 o'clock and 43 minutes p.m.), under its previous order, the House adjourned until tomorrow, Friday, December 22, 1995, at 9 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1867. A letter from the Director, Defense Security Assistance Agency, transmitting the fiscal year 1995 annual report on the operation of the special defense acquisition fund, pursuant to 22 U.S.C. 2795b(a); to the Committee on International Relations.

1868. A communication from the President of the United States, transmitting an updated report concerning United States support for the United Nations and North Atlantic Treaty Organization [NATO] efforts to bring peace to the former Yugoslavia (H. Doc. No. 104-151); to the Committee on International Relations and ordered to be printed.

1869. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 11-158, "Child Support Enforcement and Compliance Amendment Act of 1995," pursuant to D.C. Code, section 1-233(c)(1); to the Committee on Government Reform and Oversight.

1870. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 11-163, "Uniform Foreign Money Judgments Recognition Act 1995," pursuant to D.C. Code, section 1-233(c)(1); to the Committee on Government Reform and Oversight.

1871. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 11-164, "Uniform Foreign Money Claims Act 1995," pursuant to D.C. Code, section 1-233(c)(1); to the Committee on Government Reform and Oversight.

1872. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 11-165, "Real Property Tax Rates for Tax Year 1996 Temporary Amendment Act of 1995", pursuant to D.C. Code, section 1-233(c)(1); to the Committee on Government Reform and Oversight.

1873. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 11-166, "Council Contract