

This undertaking was one that Allen Meier would have participated in himself and is a fitting tribute to him because few human beings embodied the devotion and dedication present in this good man.

A member of a pioneer Oregon family and native of Portland, OR, Allen Meier acquired early on an internal drive to succeed. He served in leadership roles with the American Import Bank in San Francisco and on the board of the trustees of the Meier and Frank Co.

Yet the business community was not Allen's only community. With infinite vision and wisdom, Allen understood the importance of community involvement and volunteerism. His community participation was exhibited in his service to SCORE, KCBS call for action, the Temple Emanu-El, and the San Francisco Academy of Sciences as a docent.

As a loving husband, a caring father, a World War II veteran, and a community leader in San Francisco, Allen C. Meier was a master of both devotion to his family and his community.

For his loving wife Janis and three daughters, Lynn, Muffie, and Mary, the many loving nieces, nephews and cousins, as well as the innumerable friends of a lifetime, Allen Meier will be missed all the days of our lives. May his sweet memory live on in what the robing room represents.

AN ECONOMIC AGENDA

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 8, 1996

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, May 8, 1996, into the CONGRESSIONAL RECORD.

AN ECONOMIC AGENDA

One of the key questions facing policy-makers today is what can be done to help improve the standard of living for the average American. I hear from people all the time who tell me they are working harder and longer than ever, but they feel squeezed and are just barely getting by. I believe we must make a determined effort in this country for a higher rate of economic growth. That must become one of our nation's top priorities. Higher growth will come from more saving and investment and from greater productivity, and it will do much to improve the outlook for working Americans.

STATE OF ECONOMY

All of us know that the overall economy is doing reasonably well. Growth and inflation are both around 2%. Many jobs are being created and the unemployment rate is low. The deficit is going down. Stock prices are at an all-time high. But at the same time, there is tremendous unease about the economy. Lay-offs and downsizing are continuing as the inevitable result of global competition and technological change. There is job insecurity, enormous income inequality, and significant pressure on families.

I believe President Kennedy was right when he talked about a rising tide lifting all boats. We must have stronger economic growth.

ECONOMIC GROWTH

Economic growth is the rate at which the overall economy grows from year to year. In 1994 our nation's total output of goods and

services (Gross Domestic Product) was \$7.1 trillion and in 1995 GDP was \$7.25 trillion, for a growth rate last year of 2.0%.

The U.S. growth rate has slowed since the decades after World War II. Economic growth averaged a robust 3.9% per year in the 1950s and 4.3% in the 1960s, but it has dropped to 3.2% in the 1970s, 2.7% in the 1980s, and, with the 1990-91 recession, 1.8% so far in the 1990s. We need to do better. Many economists believe that we should be striving for growth of around 3.5% per year over the long term. They believe that the structure of the economy has changed in recent years to allow that kind of growth without reigniting inflation.

Growth in the material standard of living is obviously not the sole measure of success as a society. But strong, balanced, and sustained economic growth helps in many ways. Jobs multiply and wages rise during periods of solid growth. Prior to the 1970s when we had strong economic growth, wage growth was also solid. But as the economy has slowed, wage growth has flattened out. Strong economic growth also makes it easier to balance the budget, as the growing economy boosts revenues and reduces social safety net costs, and it makes it easier for Americans to tackle a variety of domestic problems. Strong economic growth alone cannot solve the nation's problems, but without it they are likely to become increasingly difficult.

We need, in short, an economy that will provide employment for everyone willing and able to work, and an economy that will provide opportunity for a consistently higher standard of living for those employed. The only way I know to get that is with strong private sector growth. That growth will come from higher levels of investment and superior public services.

PRO-GROWTH AGENDA

I believe there are several parts to a pro-growth agenda. First, we must balance the federal budget. Large federal borrowing drains the pool of national savings available for productive private sector investment and it drives up interest rates. Progress has been made on the deficit, as it has been cut in half over the last four years. We need to build on that progress, put aside our partisan differences, and balance the budget.

Second, we need to reform the federal tax system so economic growth becomes a much more central objective. That means it has to do a much better job of encouraging saving and investment. How it should be restructured to achieve that is a matter of debate. We may need a variation of the flat tax, a lower tax on capital, or a system of taxing consumption instead of investment, but we must put at the top of our national agenda a search for a tax system that enhances growth.

Third, we must expand our trade opportunities and open foreign markets to U.S. products. Jobs in exporting industries tend to be higher-paying, so our companies must have fair access to the rapidly growing markets overseas. We need to continually review and adjust U.S. trade policy to make sure it is working in our national interest and is helping to expand our economy and good-paying jobs.

Fourth, we need to curb excessive and costly government regulations. Many federal regulations provide important health and safety protections. But overall we need to make sure their benefits exceed their costs and they are carried out in the latest burdensome way. Regulations should recognize that a vibrant private sector is the best engine for economic growth and jobs.

Fifth, I also think we need higher levels of public investment in infrastructure. Federal,

state, and local governments need to invest in more and better roads, bridges, highways, water systems, sewer systems, harbors, ports, airports and all the rest that helps make the private sector more productive. We also need to promote investment in research and technology, which boosts economic growth.

Finally, we need greater attention to upgrading the education and skills training of our workers. Improving educational performance is an absolute priority in today's world so all Americans—not just those at the top—can prosper as the economy grows. Education is, of course, primarily a state responsibility, but it is a national problem. Access to higher education and more skills training is a must.

I do not suggest that such changes will come about easily. We must be prepared to deal with the human problems that emerge. We should do all we can, for example, to create a system of portable pensions and portable health care to cushion the transition for people who have to move from one job to another. We must find ways of providing profit sharing and stock ownership plans for employees, not just for the top corporate management, so everyone has a greater stake in the success of our companies.

CONCLUSION

In sum, our objective is simple: higher growth in the American economy. That basic goal needs to become the much more central focus of what the federal government does on a variety of fronts—whether it be our budget or tax policy or our trade, regulatory, and public investment policy. In the end I think what is important for working people is for this economic system of ours to grow and to create more good-paying jobs. We don't know all the answers about getting higher growth, but we know some of them, and we should get about the business of implementing them.

LET'S FILL THE EDUCATIONAL GAS TANKS, NOT LET THE KIDS RUN OUT OF GAS

HON. CARDISS COLLINS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 8, 1996

Mrs. COLLINS of Illinois. Mr. Speaker, I rise today to make my point for the children in school today who may be struggling with economics as put forth by Representative ARMEY over the weekend. The Gingrich-Army Republicans have now suggested that a reduction in a Federal tax on gasoline should be offset by further cutting Federal spending for education.

All across America students and teachers are probably scratching their heads this morning trying to figure out how any person in their right mind, much less a person in an apparent position of responsibility such as being a Member of the U.S. Congress, could conceive of such a crazy robbing Peter to pay Paul scenario.

If we were to seriously consider such a crazy alternative—then we would probably be dumb enough to believe some of the statistics reported by Representative ARMEY in a national television talk show last weekend. In fact, Mr. ARMEY said that the Gingrich-Army proposed gasoline tax repeal might make Americans happy because it would save the average motorist about \$27 a year.

If Mr. ARMEY would do his own math on comparing the proposed gasoline tax repeal