

districts as well. I hope that they will acknowledge the many cases that resemble theirs and the many women who are counting on us to do the right thing. I hope that all of us will support The Breast and Cervical Cancer Treatment Act, to give women a fighting chance against this disease and to truly reduce the incidence of death from breast and cervical cancer.

#### DEALING WITH THE DEFICIT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington (Mr. SMITH) is recognized for 5 minutes.

Mr. SMITH of Washington. Mr. Speaker, throughout the 1980s and into the 1990s, no problem loomed larger in our Nation than the growing, seemingly never-ending Federal debt. Now, we have gotten to the point where that Federal debt is at \$5.5 trillion, and in the early 1990s we were adding to it to the tune of almost \$300 billion a year and more, and projections showed that going up forever. It looked like it was never going to end and it did not seem like we were ever going to get out of the debt spiral.

I rise today to give a little good news, that we are headed in the right direction finally on the debt issue, but also to emphasize the importance of going the whole way: getting the budget balanced, and perhaps as important, paying down some of that debt.

Since 1992 we have seen reductions in the yearly deficit, to the point where in this past year that deficit is only about \$30 billion.

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I know Members have heard we have a surplus, but we really do not, because we are still counting the money we borrow from the social security trust fund as income, and it is really not. We have to pay that money back. So within the unified budget we are \$30 billion in debt this year, and have a projected surplus for 2001. So we are headed in the right direction, but we need to maintain that fiscal discipline to get there, to get the budget balanced.

To show just how big a problem the debt is, I have brought a chart with me today that shows where the Federal Government spends its money. It spends it in a variety of different areas. The third largest chunk of money going out of the Federal Government right now goes to interest on the debt. Fourteen percent of our budget, or \$243 billion a year, is paid on interest on the debt.

What that means is that this money basically is not helping us do anything. It is not helping us cut taxes, it is not helping us cover social security or national defense or health care for seniors. It is simply going to service the debt we ran up over the course of the last 30 years.

If we can reduce this number we can do dramatically positive things for this country, either by reducing taxes or

funding necessary programs. It is very important that in the next 10 years we do this, we start to reduce the debt, because the economy is strong now. We have an unemployment rate of 4.3 percent. We have record low inflation. Now is the time to pay down that debt.

A crisis will come. The economy cannot remain in boom times forever. When it does, we are going to need the resources to deal with that crisis. If we do not step up to the problem now, start paying down the debt during good times, we will be in horribly bad shape when the bad times come.

I rise with particular emphasis on this point as a Democrat because I think Democrats need to be for fiscal responsibility and emphasize that that is a cornerstone of our message, is to get the budget balanced, keep it that way, and pay down the debt. I think that is a very important principle for the Democratic Party to stand up for. I as a Democrat I am going to stand up for that. This will have dramatic effects on individual lives, as well.

Speakers who are going to follow me are going to talk a little bit about the positive effects of reducing interest rates on peoples' lives. If the government is not out there sucking up all of the money, that means that others, small businesses, farmers, individuals, people looking for student loans, home mortgages, will have access to that money and to borrow it at a better rate, because the government is not out there grabbing all of it. If the interest rates go down, that improves individual's lives in a wide variety of areas, some of which my colleagues will touch upon in a minute.

The bottom line point here is with the economy strong, with us headed in the right direction, finally, on fiscal responsibility, we need to stay with that discipline and get there, get the budget balanced, start paying down the debt so we can strengthen our entire economy, create more jobs, and create a better future for ourselves and for our children.

I strongly urge my colleagues today to maintain fiscal discipline and pay down the debt. That needs to be one of our number one priorities for the coming decade.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. BOYD) is recognized for 5 minutes.

(Mr. BOYD addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

#### THE NEW DEMOCRATIC COALITION STANDS FOR FISCAL RESPONSIBILITY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. SHERMAN) is recognized for 5 minutes.

Mr. SHERMAN. Mr. Speaker, the new Democratic coalition, several of my

colleagues along with myself, have come to the floor to speak in favor of fiscal responsibility. We are faced with a philosophical and fiscal choice this year, and it is a wonderful choice to make. It is a choice on how we deal with a surplus.

I was a member of the Committee on the Budget, and in 1997 we came up with a plan to make sure that we eliminated the Federal deficit by the year 2002. Many scoffed that that plan, although it was adopted by this House, could not possibly achieve the objective by 2002. It is with some pride and some great hope that we are now, not in 2002 but 1999, wondering what to do with the Federal surplus. I believe we should continue the same fiscal policies that got us the surplus.

The choice before us is major across-the-board tax cuts that we cannot afford, or major Federal spending programs of tens of billions of dollars that we cannot afford, or alternatively, modest tax cuts and saving the lion's share of the surplus. It is that latter course, the course of fiscal responsibility, that is better not only for social security and Medicare but also for the business community, for middle-class families, and for the poor.

As a Democrat, many of my years were spent, and I got active in politics relatively early, focused on programs like the Great Society, programs designed to help the poor and the dispossessed, and make sure that we are brought together as one Nation.

But when I got to Congress we all focused on fiscal responsibility, not new government programs, as a way of achieving a great society. We were right to do so, because the greatest possible program for the poor is a national economy that is creating new jobs. What more proof do we need than just 2 days ago the announcement that Hispanic unemployment and African American unemployment reached the lowest levels in the history of those statistics being kept in America?

Lyndon Johnson would be proud, perhaps, that we achieved a goal that was always out of sight for the Great Society, but now is in sight for a fiscally responsible society. The best thing we can do for the poor is not necessarily a new Federal program, but it is keeping this Federal expansion going. Likewise, it is the best thing we can do for the business community and for middle-class families.

Yes, the business community likes and deserves and wants a tax cut. But today's market of, or nearly, a thousand on the Dow was not achieved in the 1980s when we had huge tax cuts, most of them focused on the rich and the business community and the corporate sector.

We have achieved near record levels and record levels on Wall Street not because of the lowest possible taxes, but because of the most responsible Federal government we have seen in modern history. While Europe, each country in Europe, tends to run a deficit of