

cuts that have been passed by the Republicans in the last several years have helped the poor.

Now this is true: A normal family of four will not pay any Federal income tax until they earn over \$40,000 a year. That means a large percentage of our population pay no income tax at all. So therefore when the gentlemen on the other side say over and over again that we are going to cut taxes for the rich and attack the poor, that is not true. If you cut taxes, only people who pay will pay less. Cutting taxes does not take money from the poor to give to the rich.

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#### USING BUDGET SURPLUS FOR SAVING SOCIAL SECURITY, NOT FOR RECKLESS TAX CUTS

(Mr. SHOWS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SHOWS. Mr. Speaker, having been a farmer in Mississippi, I know firsthand that you are not always going to have good weather come planting and harvest time. No matter what the forecasters say, sometimes it rains when they are predicting sunshine, and sometimes a simple shower becomes a storm, and before you know it your fields are flooded and your crops are ruined.

Mr. Speaker, one tax cut plan that has been proposed attempts to predict the future of the American economy, but some Members insist on squandering away America's budget surplus today on a poorly planned across-the-board tax cut, when the responsible thing to do is use our budget surplus to save Social Security first and reduce the national debt.

Saving Social Security should be our top priority for today's and tomorrow's seniors, and we must reduce the national debt and continue on the path of fiscal discipline because we have no idea what tomorrow will bring. We cannot predict our economic future any better than weather forecasters can predict the weather. We should call their sunshine promises what they really are: A strong chance of thunderstorms that will rain on America's seniors and let the Social Security Trust Fund go down the drain.

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#### SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

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

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

#### GLOBALIZATION THE SINGLE MOST IMPORTANT ISSUE FACING THE WORLD'S ECONOMY TODAY

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

Mr. FRANK of Massachusetts. Mr. Speaker, I believe the most important issue, the single most important issue facing our country today and other countries in the world is how we deal with the globalization of the economy. That is a fact. It is a fact spurred by technological change and other matters beyond anyone's control.

I do not believe it is reasonable to talk about stopping globalization because that is not an option we have, but we do have a choice to make as to how we will go forward, and there are at least two competing models. One is the argument that says all we need do is let capital find its highest level, let the owners of capital invest wherever in the world they think they can get the best return, urge every government to facilitate that process by making themselves as attractive as they can be to capital, and the result will be that most people will be better off.

Domestically, we call that the trickle-down theory because what it says is, do not worry about negative effects on income distribution. Do not worry that to attract capital some places will cut their environmental standards and reduce taxes on the wealthy. Do not worry that this will reward the owners of capital disproportionately. In the end, we will all be better off.

There is an alternative conception. It is one that Franklin Roosevelt began in the early thirties in this country and it is one that says let us have for ourselves the benefits of capitalism, let us get the wealth creation that comes from the incentive structure that the free market gives us, but let us then come together and deal with some of the adverse impacts that this system will have.

Indeed, most recently that is a message that has been articulated by his Holiness Pope John Paul, II, who has called not for the abolition of a market system in the world's economy but for a recognition that the market system cannot be the only lodestar by which we make decisions.

I am encouraged that the Clinton administration has been moving in the direction of understanding that what motivated Franklin Roosevelt in the early thirties, the need to preserve the best parts of capitalism while dealing with some of the excesses and inequities that can result, that that must be applied internationally.

No better indication of that came than in the speech by Secretary of the Treasury Rubin at the recent World Economic Conference in Davos. Davos has not been known as a place where people come together to discuss compassion and equity and liberal principles. It has been a place where the free market and free movement of capital has been exalted.

And it is thus particularly significant that in the course of a speech talking about the importance of globalization and going forward with it and creating a structure to contain it, Secretary Rubin, himself a man who messed in the markets, who for years in the private sector before becoming a very successful Secretary of the Treasury, was a leading figure in the financial community, nationally, internationally, it is significant that he included the following statement at his speech at Davos:

We must do far better in enabling all of our citizens to participate in the growth and economic well-being produced by the global economy. That means not only strengthening social safety nets for those in greatest need and promoting core labor standards around the world, but also greatly increasing investment in education and health care to provide all of our citizens with the requisites for economic success.

The World Bank and other multilateral development banks are deeply engaged in pursuing these objectives and deserve our full support, and here, most significant of all, from a man who is now Secretary of the Treasury of the United States and a former extremely successful leader at Wall Street.

Along these same lines, and I am now quoting Secretary Rubin again, "I do not believe that a market-based economic system and a healthy global economy are sustainable unless we take strong steps to address the tremendous income inequality that is all too evident around the world within nations and between nations."

This is the sort of philosophy which, if it is made concrete, will be the basis on which we can come together and go forward in the areas of trade and promoting international development and promoting international economic activity.

The recognition that capitalism unadorned is not enough but that a combination of the capitalist system and public policies which protect vulnerable people against the excesses that are inherent in that system, that is the basis on which we can come together, and I am delighted to congratulate Secretary Rubin. I do not think this is a message that has often been heard in Davos, and certainly not from someone of the public and private eminence of Secretary Rubin. It is a very promising move towards the policy consensus that we need.

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#### OPTIMISM GETS THE JOB DONE

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

Mr. HULSHOF. Mr. Speaker, I have come to the floor of the United States House of Representatives this morning to talk about some big news in a small town in Missouri's Ninth Congressional district. That small town is Ashland, Missouri, in Southern Boone County.

Now, Ashland is a community of just under 2,000 residents but today, Mr.