

is a scandal that shows the pervasive corruption in American politics.

My legislation asks for a special prosecutor to look into the relationship between Enron and the manipulation of the stock market and its value per share; to look into the relationship between contributions by Enron to the President, the Vice President, Cabinet officers, other administration officials, and congresspeople.

I am asking the prosecutor to look into the influence of Enron on Federal and State legislation, including, in particular, the effort to deregulate energy markets, both in States and in the Nation as a whole.

Finally, I ask for the prosecutor to look into the relationship between Enron and our whole Federal and State regulatory system.

When we went through the energy crisis in California in the summer of 2000 and since, many of us claimed that this was not a supply and demand crisis but a crisis of manipulation of our market; and, in fact, that criminal manipulation resulted in the theft of anywhere between \$20 billion and \$40 billion from California ratepayers.

Enron and a small group of its friends in the energy industry were the perpetrators of this crime. We took evidence of that crime, many of us in California, to our supposed protector, the Federal Energy Regulatory Commission. They investigated, or so they say, the situation, and they found no wrongdoing.

In fact, now that the spotlight is burning brightly on Enron, FERC has suddenly announced that they are going to look into this matter again. Why, after an investigation which was smoke and mirrors, do they say, "Let us look again"? I think this FERC, what I call the Federal Enron Rubber-Stamping Commission, wants to preempt other investigations and stop a real look into the relationship between Enron and the crimes that were committed in the electricity market in California.

So we cannot let FERC, the Federal Enron Rubber-stamping Commission, take over this investigation. We must give this to an independent and thorough investigation by a special prosecutor.

We have to go beyond the congressional investigations into the business practices of Enron and the problems that they caused, the tragedies they caused, because this is a bigger problem, and the American people should not allow this investigation to stop with only a few business reforms instituted and maybe one or two folks thrown into jail. They must demand the investigation of the whole corruption of our political system.

We know about the contributions to both administrations in recent history. We know about the contributions to congresspeople. We know about the separate meetings Enron had with the Vice President and the energy task force of the White House over an 8-

month period to determine the energy policy of this Nation.

We know that the seventh biggest company in the United States, with revenues of over \$100 billion, was making our energy policy. We know that Cabinet members came from Enron right into this administration. We know that the CEO of Enron, Ken Lay, personally submitted names and interviewed candidates to be members of our Federal Energy Regulatory Commission.

We know the connections, close connections, between this administration and Enron. It was those connections that caused this scandal, and it was the connections between Enron and State legislatures and State legislators and State regulatory commissions and Federal regulatory commissions that caused their success.

Not only the failure of Enron is what ought to be investigated but why they flew so high for so long and allowed the stealing of so many billions from so many people.

So we have to look at Enron with a neutral, unbiased look. It seems to me that neither the administration nor this Congress can do that, so that is why I am calling for a special prosecutor. Enron must be fully examined so the American people can understand why and how our political system has been hijacked.

GOVERNORS' RESOLUTION ON GENERIC DRUGS

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

Mr. PALLONE. Madam Speaker, I rise this evening to bring attention to the Governors' resolution on generic drugs that is going to be offered by Governor Dean of Vermont at the National Governors Association conference taking place this week in Washington, D.C.

Madam Speaker, after all is said and done, the high cost of prescription drugs still remains one of the most pressing health care issues confronting our country's senior citizens, employers, managed care plans, and State and Federal drug programs. It also remains clear that generic competition can have a dramatic impact on reducing pharmaceutical costs.

There is a need, in my opinion, for statutory or legislative initiatives that allow timely access and availability of generic drugs. Frankly, Madam Speaker, Congress has been dragging its feet. Congress has been so negligent in ensuring proper entry of generics to the market that States are beginning to act on their own, as we see with the Governors' resolution.

The Governors' resolution expresses concern about the 1984 Hatch-Waxman Act. Part of the intent of the Hatch-Waxman Act was to lawfully improve consumer access to lower-priced generic drugs. The problem, Madam

Speaker, is that loopholes within the Hatch-Waxman Act are being taken advantage of and preventing the availability of generic drugs to enter the market. Brand name companies have become proficient in manipulating the Hatch-Waxman law and launching campaigns to block or delay generic alternatives from reaching the market.

The Governors are concerned in their resolution that these elements within the Hatch-Waxman Act may actually be contributing to the rising costs of prescription drugs, and the resolution asks Congress to explore this issue.

In addition, the Governors raised the valid point that during this time of tight State budgets, a national deficit, and an economic recession States are burdened by Medicaid costs which are on the rise due to the soaring costs of prescription drugs. With prescription drug costs rising at a rate of up to 18 percent annually, States' Medicaid drug costs represent the fastest-growing health care expense for States, employers, and consumers across the Nation.

USA Today reported that the Business for Affordable Medicine, a coalition of governors, business, and labor unions, stated that certain reforms to the Hatch-Waxman Act could save State Medicaid programs \$600 million in prescription drug costs over the next 3 years. According to the coalition, States spent about \$1.2 billion in 2001 on 17 drugs, including the allergy medicine Claritin, the asthma drug Flovent, and the cancer treatment Lupron. The coalition said that the \$600 million figure is the amount of savings that would occur if these 17 drugs were replaced by generic alternatives that would be allowed to enter the market.

Madam Speaker, the inclusion of generic alternatives in the marketplace is great for consumers, employers, and government purchasers because generic competition provides access to less expensive, therapeutically equivalent generic versions of brand-name drugs.

I fully support the Governor's resolution and the intent to improve access to generic drugs, and I encourage my colleagues in Congress to take the lead of the Governors here in Washington, D.C., and to pursue this important issue.

THE PRESIDENT'S AXIS OF EVIL AND THE IMPORTANCE OF MIS- SILE DEFENSE

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, the gentleman from Colorado (Mr. MCINNIS) is recognized for 60 minutes as the designee of the majority leader.

Mr. MCINNIS. Madam Speaker, this evening I would like to cover a couple of subjects. The first subject that I would like to spend some time on is on the President's axis of evil. I really do not want to focus entirely on that particular subject, but I want to talk more specifically as kind of a jump from

that subject on to missile defense, the importance of missile defense for the United States of America; in fact, the absolute necessity for the United States to deploy as soon as possible a missile defense to secure our borders against future attempts, either accidental or intentional, to cause harm.

To lay a basis for this, I have just returned from NATO meetings. Our NATO delegation here out of the House of Representatives is chaired by the very able gentleman from Nebraska (Mr. BEREUTER).

□ 1930

We went to our NATO meetings and then after our NATO meetings went and joined another group with the British American parliamentary assembly which was chaired by our very capable Member, the gentleman from Wisconsin (Mr. PETRI). And from these meetings, it was very interesting to go to these meetings. First of all, let me state that it amazes me, it absolutely amazes me that we do not have to get very far from September 11 before the old European criticism of the United States starts to rear its ugly head.

Now that said, let me tell you that I think it is somewhat out of proportion this criticism. Mind you, it is the criticism that gets played up by the world media. It is not the things that are going right. And I can state a lot of relationships are probably more solid today with some of our European allies, for example, the British, than they have ever been in the history of relationships between these two countries.

Let me compliment the United Kingdom. The Brits have been with us from the moment those planes hit the Pentagon and targeted New York City. And they have not faltered, they have not weakened, they have not backed off one inch. My compliments to the British people. Unfortunately, that strong commitment to the goodness of what our societies represent, not the United States alone, the United States is not standing alone. The United States is willing to go it alone, but the United States wants help from its allies. That is why you have allies. But unfortunately, in my view, not all Europeans, specifically the French, the Germans, even Luxembourg, I was a little discouraged by some of the comments I heard at some of these meetings about the United States, that the United States being the only super-world power is kind of pushing unilateralism.

That is not what is happening out there. The United States of America is without question the only superpower in the world. But the United States of America is not arrogant about this. The United States of America has never ignored its friends. The United States of America does everything that it can to have a strong alliance with its natural allies. And the United States of America reaches out more than any country in the history of the world, more than any country in the history

of the world. The United States of America reaches out to help other countries. It reaches out to give individual freedoms throughout the world. It reaches out and, sure, we talk and try and use education to tell people how the goodness of individual freedoms and individual rights and how it makes a country stronger and not weaker.

We are not sensitive to criticism, unless the criticism is a little unjust. It was interesting over the weekend, there was an editorial in one of the London newspapers. And they remembered the quote that Lyndon Johnson had back in the de Gaulle days when de Gaulle said to Lyndon Johnson that he wanted the American troops, the United States troops off European soil. And President Johnson immediately replied, does that include the American troops buried beneath your soil?

Twice in the last century the United States at the expense of many thousands of lives went to the defense of Europe. And I feel very confident that if Europe were challenged tomorrow, the United States would once again find itself in battle on behalf of the Europeans. The United States thinks very highly of the European nations. The United States of America thinks it is very important that we have friendships that are strong into the future. But let me tell you something about a friendship. You have got to be willing to help that friend of yours that might need some help.

Now, the United States of America through the leadership of our fine President has committed to eliminate, to the extent possible, terrorism throughout the world. Not just terrorism focused on the United States of America, but terrorism focused wherever it raises its ugly head; and it has asked for assistance from other countries, other countries in Europe. Now, that is not acting as if you were arrogant. That is not going forward on some kind of unilateral message or unilateral path. The United States of America does not accept arrogance as its policy of moving forward.

What the United States of America accepts as its policy is strength, strength through the ability to negotiate, strength through military might, strength through doing whatever you can to assist countries rebuilding themselves.

Take a look at Afghanistan. It is our obligation, we feel in this country, we feel an obligation to help build that country, to have text books in those schools, to build those schools, to allow women the rights they have never seen in that country before, all individuals in that country to begin to exercise individual rights. And the United States of America is willing to step forward not only with its military might, but with its economic might as well, as well as its compassion, whether it is the Peace Corps or whether it is the thousands and thousands of items that have been contributed throughout this

Nation, whether it be jackets or school books, or whatever, sent to the country of Afghanistan.

I think it is a mistake, a deep mistake for our European allies, not all of them but for some of those European allies, to think that for some reason because the United States of America has the guts and, frankly, I think the obligation to stand up toe to toe with these terrorists, and destroy them where possible, do whatever we can to overcome the fear in the hearts of the American people and the people of this world that these terrorists have put there. And the United States is willing to be the first one out of the foxhole.

But it is a little interesting when some of the people still back in the foxhole have enough malfeasance, in my opinion, of their professional responsibilities to criticize the United States because it is the first one out of the foxhole, because the United States of America is willing to take on this terrorism, not only for our Nation's security but for the world's security. And the President has made that very clear. The Secretary of State has made that very clear.

We are not out to rid the world of terrorists that only attack the United States of America. We are out to contain and destroy to the extent possible the terrorists that rain their terror upon anywhere in the world. And we have asked some of our European allies, all of our allies to join us. It amazes me, it discourages me, it disappoints me that we have some of the countries in Europe who are speaking ill of the United States.

It was surprising to hear how often I heard criticism of President Bush's axis of evil, the three countries that President Bush highlighted as direct threats, evil countries. It reminded me of the days when President Reagan had enough guts to stand up and call Russia the Evil Empire. You know what bothered a lot of people? The fact that he was right. And here President Bush is right.

Sure, you can sugar-coat it. You can decorate your language, try and hide it, try and kind of through statesman negotiations, I guess, not really call these countries what they are. But what would you call North Korea? I asked some of my European friends, What is it that you would describe North Korea with? You want to get a Webster's dictionary and find me another word in the dictionary that would fit North Korea more appropriately than axis of evil or a combination of evil? Take a look at the suppression that North Korea does with its own citizens. How can you justify calling North Korea anything but evil when they starve their citizens to feed their military?

Then you can move on to Iraq. When we talk about biochemical warfare, do you know what country in the history of the world has used it on its own citizens? Iraq. Do you think somewhere in Webster's dictionary you could find a

definition other than the word of evil to fit the nation of Iraq? The people, the masses of Iraq deserve more than they are getting from that leadership.

Saddam Hussein is evil and his leadership regime is evil. The country, the people of North Korea, the people of Iraq, and to a lesser extent the people of Iran, are all begging for some kind of new leadership out there. And Iran is no guardian angel. Iran seems to have at least some momentum moving towards reform in their country. But the fact is right now the three primary threats to the free world are Iraq, number one, North Korea, number two, and Iran, number three.

So we have got a President that has enough gumption to be the first one out of the foxhole, to say it as it is, to talk about it in terms that are necessary for it to be talked about. And that is that these evil empires are doing not only injustices to their own people, but they threaten tremendous injustices to other nations in the world. That is what this President is standing up for. And that is what I hope our European allies understand, that the United States is not trying to snub, has made no attempt whatsoever to snub its allies anywhere in the world.

In fact, it is the United States coming out of that foxhole not only for itself, not only for our Nation, but for all nations of this world, to rid this world of a terrible, terrible cancer. And there is no other way to describe the acts of these terrorists, whether it is the kidnapping of a Wall Street Journal reporter, whether it is flying a plane into the World Trade Center or flying a plane into the Pentagon or unleashing any other act of terror. Somebody has got to have enough guts to face up to them.

Let me say, and I want to make it very carefully said that throughout my remarks the one sole strong exception standing so solid out there in the European continent is the United Kingdom. We have some other allies in the European continent that are standing with us, but the strongest out there are the British. And I want to commend my colleagues in Britain for standing with the United States of America. And I want to encourage the other European continent to join us in this battle. Not join us just in soft talk. Join us in strong action. That is what it is going to take.

This cancer that we have discovered, this cancer that we discovered through the horrible events of September 11 is not just going to disappear on its own. In fact, every day that goes by that cancer begins to spread.

Now, we took a pretty good whack out of that cancer with our military action in Afghanistan. And thanks to a lot of European allies who have helped us with intelligence, who have helped us with the money racketeering going on out there, we have been able to crawl somewhat into the cellars of some of these terrorist headquarters

and begin to destroy that cancer. But the fact is cancer still exists. We cannot pray it off us, although that may help. We cannot wish it off us. Wishing is something for a dream, but it is not going to get rid of that cancer. You cannot love it off. You cannot talk it off. You have got to get in there, and you have got to take it away.

Now in my opinion several of our European allies agree that the cancer needs to be taken away. But they want it done with the absolute opportunity of, I guess you would say, anesthesia for the patient. Get the best anesthesia that you can get and deliver and put it into the patient before you begin to remove the cancer. Frankly, I agree with that. Make the patient as comfortable as you can. But the problem is the patient and the cancer are here today. The anesthesia of which these people, the European allies, some of them, are referring to, we do not have it in the operating room. We need to go after that cancer now. We cannot wait for that anesthesia to arrive because if we do, it may be too late for the patient.

So in an idealistic world, while we would like to have all of the anesthesia we need right there for that patient, in the realistic world, not the idealistic world, but the realistic world, we may have to go after that cancer before we have the kind of anesthesia that we would like to have. Those are the facts. And it is not because we are being egotistical. It is not because we want to act in a unilateral method. It is because we are saying that our fellow doctors in that operating room, look, we have got to get that cancer. Everybody agrees, right? Right. We have got to do it now. Yeah, we need to do it. We need to do it now. Somebody in that operating room has to take charge. And the United States of America is willing to lead.

In fact, as Vice President CHENEY has said, the United States of America today in the world is the only one who has the capabilities from all angles in a broad statement to take on this terrorism. We want our allies with us. We want to protect our allies. That is a natural. Of course you want to protect your friends.

So I would have expected when I went to Europe to find many of my friends from Germany or find many of my friends from France, although the French are tough to bring along in most cases, find our friends from Luxembourg, find our friends from some of these other countries jumping up and saying, hey, we are ready to get out of the foxhole. We are firmly committed behind your Nation.

I happen to believe that most of the people in Europe agree with the United States of America in that the number one issue out there is security and that we have got to somehow repeal this horrible cancer that has stricken the world.

□ 1945

Granted, on September 11, it hit the United States of America, but I am

telling my colleagues it is not long before it hits somewhere else in the world. That is why it is our obligation, all of us, all of us, to get out of that foxhole, under the leadership of the United States of America, and take it on.

I saw an excellent editorial in today's Wall Street Journal. I do not like to read into the RECORD, but this is an important editorial, and so I want to read. It is not a long editorial, but I ask my colleagues to listen very carefully to the words, because the Wall Street Journal editorial I think covers very precisely the type of feeling that I had at the NATO meetings that I was in attendance.

Again, dated February 26, title of the editorial is Axis of Allies.

To read the papers these days, you'd think Europe and the United States were headed for a giant fall over President Bush's "axis of evil" policy. Certainly European critics have earned all of the headlines. But there's another side to this story, which is that much of Europe actually supports Mr. Bush.

We certainly would not call it a silent majority. But it includes some very big names, starting, for example, with the Spanish Prime Minister. Since you won't read about it anywhere else, we thought we'd tell you what he said.

"I think that the position Bush has taken is of historic dimensions," the Prime Minister said last week in an interview with European journalists. "It is comparable to the choice made by Truman, who in the postwar took a strong position against the Russians, and to the declaration that Reagan made at the beginning of the 1980s which defined the Soviet Union as the evil empire."

The Spanish Prime Minister added that, "I believe that today it is more important than ever that Europe strengthen its ties with the United States: Alone we Europeans will be able to do nothing, not only on the international scene but also even inside our own continent, as the crisis in the Balkans demonstrated. There are those who want to make an impression by lining up against the U.S., but I do not agree with this attitude."

"Also largely unreported was the comment last week of" the European Union "foreign policy chief, who spoke of 'overstatements of differences' with Washington." The policy chief's "remarks were widely taken as a slap in the face of Chris Patten, the EU external affairs commissioner who warned, in widely quoted comments, that Mr. Bush was in 'unilateralist overdrive.'"

"Something is clearly getting lost in translation of how Europeans view America right now. When a French Foreign Minister calls U.S. foreign policy 'simplistic' or the German Foreign Minister Fischer accuses the United States of treating European nations as 'satellites,' their remarks make news on both sides of the Atlantic. But when a European leader speaks pointedly in support of America, he is shouting into the wind.

“The real story is the battle in Europe between the new politics and the old. It is no accident that those dowagers of the old socialism, France and Germany, tend to produce the U.S. critics, while exponents of a new centrist or center-right politics, primarily British Prime Minister Tony Blair, Italian Prime Minister Silvio Berlusconi and Mr. Aznar, support Mr. Bush.

“The internal debate in Europe is about its role in the world and the future shape of the European Union. Specifically, it focuses on the politics of European integration in which a French-led bloc wants to create a more integrated (and socialist) Europe. The issues will come up in elections in France and Germany this year.

“Both France and Germany also had business ties with Iraq that they are eager to resume; that won't be politically correct as long as Iraq is part of the 'axis of evil.' A campaign (with tacit or explicit government support) to indict Western sanctions as the cause of Iraqi misery has also succeeded with the European public, making it that much harder for Paris or Berlin to support military action against Iraq.

“France and Germany are important countries, but they aren't all of Europe any more than America is Washington and New York. And even they may ultimately find a way to support American action in Iraq and elsewhere. In the meantime, President Bush can count on backing” of Aznar, the Prime Minister of Great Britain and the Prime Minister of Italy, “though they too will face political hurdles at home.

“A part of Europe sees eye to eye with the U.S. on economic liberalization and a foreign policy that attempts to rid the world of threats to peace and stability. Another part of Europe disagrees. Why do only the grumblers make news?”

I think it is an important piece, and I would urge my colleagues, if they have an opportunity, clip it out of the Wall Street Journal. Europe is very important for the future of our country. We need a strong relationship with the European countries, and we have a strong relationship.

Twice in the last century, the United States of America took its boys, young men and women, overseas to fight for the Europeans, to fight on the European continent, and we would be willing to do it again tomorrow. But let me tell my colleagues, within the family, the criticism, while any good family allows for constructive criticism, it should always be somewhat justified criticism, and I think Germany or France or some of the leaders of these various countries of the European Union, some of those leaders that criticize the United States of America as acting in a unilateral fashion, have got it all wrong.

The United States of America wants to act in a partnership. The United States of America wants Germany and

France acting as strongly with us as Great Britain has. This problem of terrorism is not unique to the United States of America. They know that. The people and the officials of the European Union know that. The citizens of Europe know that.

Let us form a team, as Powell said, our Secretary of State Colin Powell last week, that the Europeans, every time they pound on the United States, they ought to do a little pounding on Iraq.

This is exactly what the terrorists want to occur. They want some kind of division to begin to pop up between the Europeans and America. Why? Because they know it is a lot tougher to take on two people coming out of that foxhole than it is to take on one coming out of that foxhole.

So the United States of America wants our European allies with us as we come out of the foxhole. We are not asking our allies in Europe to be the first ones out of the foxhole. We are willing to do it. This Nation has the capability. It has the commitment. It has got the military strength and technology to be the first one out of that foxhole, but if you ain't going to fight, do not complain, and if you are going to fight, get out of the foxhole.

This moves me on to the issue that I wanted to focus a little more on tonight, and that is the necessity for a missile defense in this country. I think the biggest weakness that the entire world faces are missiles, not just nuclear missiles. Obviously, we all fear the utilization of nuclear missiles, but ballistic missiles carrying conventional missile heads.

Can my colleagues imagine what North Korea, the kinds of havoc that North Korea could wreak on South Korea, on Seoul, South Korea? Seoul, the Nation's capital of South Korea, is only 38 miles away from North Korean missiles. Can my colleagues imagine the protection and the leverage that we would be able to take away from North Korea if we could provide our ally, South Korea, with the missile defense?

A missile defense is absolutely essential for the United States, for the security of our citizens and for the world, for the security of its citizens, any of our allies throughout the world.

I had the opportunity several years ago, I think to the best of my recollection about 3 years ago, to be in Vail at the AEI's world forum that was hosted by a former President, Gerald Ford, and Margaret Thatcher was there. I cannot quote from memory exactly what the former Prime Minister of Britain said, but I can give it pretty darn close.

I remember very distinctly that there was the current Secretary of Defense, Bill Cohen, and Margaret Thatcher stood and addressed Bill Cohen. As my colleagues know, the Clinton administration was very reluctant to commit, they certainly did not give any kind of commitment the likes of which we have seen from the Bush

administration, in regards to a defensive missile system for this Nation. They kind of halfway, lukewarm supported it.

Margaret Thatcher stood up, took a look at the Secretary of Defense in the United States and her words were similar to this. Mr. Secretary, she says, you have an inherent responsibility to provide the citizens of your Nation with a missile defense. Any failure to do so would be nothing short of gross neglect.

Now, again, those words are very close to what she said. My colleagues could have heard a pin drop in that room. Why? Because Margaret Thatcher was right. We need a missile defense in this country; and, fortunately, we have a President who is absolutely committed and moving forward at full speed at providing a missile defense for our Nation.

Remember, there are lots of threats out there, and the threats are not necessarily an intentional missile launch against the United States. In fact, we could very easily have an accidental missile launch against the United States, and do not think accidental missile launches are something that just are nightmares of the future. It has already happened.

Not long after September 11, about 6 months ago, a Russian airliner was flying I think over the Black Sea, and the Ukrainian military was doing military exercises with their navy, and they fired a missile by accident at a commercial airliner, a Russian airliner, and they blew the Russian airliner out of the sky. They killed 70 or 80 people. They blew it to smithereens.

Accidents can happen. An accidental launch against the United States of America could happen, and it could lead to consequences much, much more serious than just one missile being launched across the ocean. If that missile was launched and, one, we did not know it was accidental; two, we did not have the capability to stop it, the United States may end up in a response of a retaliatory fashion. So missile defense is important not only against an intentional launch against our country but the possibility of an accidental launch.

As my colleagues know, years ago, back in about 1972, the United States entered into an agreement with Russia called the anti-ballistic missile treaty. To the President's credit, President Bush has abrogated that treaty pursuant to the terms of the treaty. The treaty itself, the basics of the treaty or the philosophy behind the treaty was that one nation would not defend itself against the missile attack, nor would the other nation. In other words, the United States of America would agree not to defend itself against Russian missiles if Russia agreed not to defend itself against United States missiles, the theory being that the United States would not dare attack Russia because they could not defend themselves against a retaliatory attack and vice versa.

I think it is crazy, but that was the thinking and the philosophy in 1972 when this agreement was signed. In 1972, when this agreement was signed, keep in mind that only two nations in the world had the capability of delivering intercontinental ballistic missiles into the territory of the other, Russia and the United States.

Clearly, since then, many, many other countries throughout the world have developed that technology, and that technology is much more readily available than it was 30 years ago. We have had dramatic changes in the world scene today in regards to missiles, missile technology and the capability to launch a missile into the territory of another country.

That 30-year-old treaty was outdated within a few short years after it was signed, and today, with all of the countries in the world that have the capability of striking the United States, and we discovered unfortunately on September 11 that we can be hit within our borders, of all of the countries that have that capability, why were we reluctant the last 8 years under the Clinton administration, for example, to go full speed ahead on building a defensive mechanism? These are not offensive missiles. This is a defensive missile system for our Nation to protect the people of this Nation.

□ 2000

As Margaret Thatcher said, anything short of a full missile defense system is gross neglect, gross neglect of our fiduciary duties to our citizens.

Take a look at the treaty. Now, by the way, as many of my colleagues know, the President has given notice, under the four corners of the treaty, that the United States is withdrawing from the treaty and that the United States of America intends to proceed full speed ahead to provide a missile defense for its citizens.

Let us look at the agreement that allows us to withdraw from the treaty. The treaty is obviously of unlimited duration; but as I mentioned earlier, it is now about 30 years old. At the time the treaty was signed, again just so we have a little historical basis here, there were only two nations in the world, Russia, the U.S.S.R., and the United States that were capable of delivering missiles to the other country. That changed within a very few short years after this treaty was signed.

In my opinion, the minute a third country entered the picture, they should have either been brought into the agreement or this agreement should have been abrogated. President Bush is the first one, though it took 30 years, but President Bush had the gumption to step up and exercise section two. Section two, it has been highlighted for my colleagues' benefit, states that each party shall, in exercising its national sovereignty, have the right to withdraw from this treaty. A right. It is a right within this treaty, if it decides that extraordinary events

related to the subject matter of this treaty have jeopardized the supreme interests.

It goes on to talk about the 6-month notice in this paragraph. That notice has already been given. And it says that the notice shall contain within it the extraordinary events, notifying the party regarding which jeopardizes our supreme interest.

Now, have extraordinary events occurred which jeopardize the national sovereign interests of the United States of America? Of course they have. I cannot understand how anybody in these Chambers, any of my colleagues, would do anything but acknowledge the necessity for a military missile defense system in this country. And I do not know any of my colleagues that could stand up and tell me that extraordinary events have not occurred over the last 30 years. Obviously, they have occurred.

Let us start with the first one, and I am just going to go through a few "extraordinary events" that have occurred that, in my opinion, giving us justification to go full speed ahead. The first one, again being repetitive, is that we are no longer talking about two countries. This treaty was between the U.S.S.R., which technically does not even exist any more, and the United States of America. Since then, let us take a look at what has happened.

Number one, we have multiple countries that have missile technology and the capability to deliver those missiles into the territory of other countries. Number two, take a look in the last 30 years at what has happened with nuclear proliferation. These are countries. Now, the red countries have nuclear weapons. The green countries are countries that we are confident have or are concerned enough that we think they have the capability. We believe North Korea could easily have a nuclear missile or some nuclear missiles, Iran, Libya and Iraq.

Now, looking at my pointer here, in 1970, it used to be just the United States and Russia. Here is what leads to those extraordinary events. Watch my left hand. First, we pick up India, Israel, Pakistan, Britain, China, France. Look at that list. That is an extraordinary event, not of a positive sense but of a realistic sense. There are multiple nations in the world that have nuclear missiles, and they are capable of launching those missiles. Our Nation must defend itself and its allies against that type of an attack.

Let us go a little further. In the last 30 years, since the time this treaty was signed, look at what has happened with ballistic missile proliferation and countries that possess ballistic missiles. Look at them. One, two, three, four, five, six. Go across here. One, two, three, four, five, six. Roughly 36. Not exactly, but roughly 36 additional countries since 1972 have developed or now have missile technology capable of firing a missile against the United States of America or against another country within their territory.

Now, what can we do with missile defense? Is the threat real? Here is the threat that we face today. Look at this chart. Weapons of mass destruction among 20 Third World countries that have or are in the process of developing weapons of mass destruction. Nuclear weapons. Iran, we think has them, Iraq, Libya, North Korea, and Syria. Chemical weapons. Again, Iran, Iraq, Libya, North Korea and Syria. Biological weapons, Iran, Iraq, North Korea. Advanced technology for missiles. All of the countries.

I believe there are serious threats outside the borders of the United States of America, and we have an opportunity to lead the world once again in a way to neutralize that threat. And the best way to neutralize that threat is to obtain the technology, and we are very close. The United States is very close to achieving the technological breakthroughs that are necessary to destroy a missile on its launching pad, to take a missile that has been fired against the United States and, somewhere along its route, destroy that missile, to minimize the casualties that that missile would create if it successfully landed on its target area.

So the key here is this: the United States and our President, under our current leadership, is moving forward, and so is the United States Congress with financial commitments and financial backing for our President to build for the citizens of this Nation a security blanket, a capability to stop somebody from a ruthless attack or even an accidental mistake against this country.

The United States is also going to be the first country to step forward with this technology and to hand it over to its friends. We will offer protection for South Korea. What is North Korea going to do when the leverage of their missiles is taken away? Maybe we will get a unified Korea, as we all hope in the future will occur. What will happen with some of these terrorist organizations or countries like Libya or Iran or Iraq when the missiles they have would not be capable of destroying or bestowing horrible destruction upon allies or the United States of America itself?

My colleagues, we have an incumbent fiduciary obligation to our citizens to provide a security blanket for the protection of this Nation, and that obligation exists not only for the current generation, for the current people, but for future generations of this country. Today, we must develop that technology. We must put into position a missile defensive system.

In my opinion, and I know sometimes I stand here and preach until I am blue in the face about the threat of a missile attack against this country, but all of a sudden on September 11 we all became a little more awake as to the fact that the United States of America could be a target too. We did not think on September 10 that action against this Nation was coming as quickly as it did. And who knows what the future

holds? But I think we would be safe in assuming that the future holds further attacks against our country. I think we would be safe to assume that there are terrorist pockets out there that will do whatever it takes. They will destroy our children. Remember, in New York City, when they hit those World Trade Center towers, they killed the citizens of 80 separate countries. What we want to do is give those different countries the capability to defend themselves against these terrorists.

Now, some might say, well, the United States of America should not have a missile defensive system. The United States should somehow feel guilty because of their military strength. The United States should become apologetic because they are so powerful. The United States should feel badly about leading the world in military technology. What a bunch of rubbish. The United States of America has the capability to lead the world in missile defense.

And I could not more strongly compliment George W. Bush on his commitment for the security of this Nation. He understands, in his leadership team down there, whether it is the Vice President, whether it is Colin Powell, our Secretary of State, whether it is Condoleezza Rice, they have a clear understanding of their mission. And I think, colleagues, that we have an obligation to have a clear vision of our mission, and that is the security and the protection of the people of this country.

I cannot think of anything more important that the leaders of a country have as far as their responsibility to its citizens than a national defense. I cannot think of anything more important. Obviously, there are a lot of important things out there, but what good is anything if we cannot protect our citizens? If we as leaders cannot protect this Nation, at least to the utmost of our capabilities, what good are the benefits of anything else that we could give this Nation?

And protection, by the way of a nation, is not just necessarily a military missile defense, a strong military in regards to its capability to attack or in regards to its capability with technological advancement. I believe that the strength of a nation is displayed through its capabilities of negotiation, through its capabilities of helping other countries, through its capabilities of things like the Peace Corps and other efforts that we make like this, in foreign aid and foreign assistance with other countries. And the United States of America has no reason to apologize for any of this. The United States of America has led the world. There is no other country in the history of the world that has done more for other countries than the United States of America in regards to foreign assistance, in regards to educational benefits, in regards to open borders, in regards to opportunities.

Now, that is not to say that I think the United States has got it all right.

Many times we find out that we have made a mistake, but we learn from them. And basically, when we take a look at it, no one could classify the United States of America as anything but good, in my opinion.

But to bring us back to this defense, we face very challenging times in the near future and in the distant future; and it is our responsibility as the leaders of this country, number one, to support our President and his team in their effort to provide the protection and the security that this country needs; and, two, to support our President and the President's team to provide the kind of security that our allies need.

We need people to know throughout this world that the United States of America will protect itself, it will eliminate to the extent it can any threats against this country, and it will reach out to its friends to assist its friends and to protect its friends from those kinds of attacks.

So as kind of a conclusion of this set of my remarks this evening, my colleagues, let me just summarize a couple of things. Number one, I say to our friends in Europe, our friends in France, our friends in Germany, our friends in the European Union, that the United States of America wants a partnership with you. We have had a partnership that has been tested through the loss of lives, hundreds of thousands of lives in the last century. Twice in the last century our partnership was threatened, and both times the United States of America contributed to the partnership and so did you. But this partnership must continue into the future.

Europe is important for the United States, and the United States is important for Europe. But this is not the time for our friends in Europe to be shy about their support for this President. This is not the time for our friends in Europe to somehow give credibility to regimes like that of Saddam Hussein and the country of Iraq. This is the time, instead, for friends and partners and allies to stand in unison against the common enemy and to do what is necessary to eliminate the threats of that common enemy.

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Madam Speaker, we have got the United States of America willing to be the first one out of the foxhole. We can lead. We are willing to put the money, the defensive resources. We are willing to do what it takes, but we want the European alliance to be right there with us. There is no other way that we want it to happen.

Again, I summarize, the United States is prepared to come out of that foxhole by itself. The United States of America is prepared to go it on its own, but that is not our preference. This Nation has built its greatness through partnerships, partnerships of our citizens. And as we reach around the world to our allies and we once again are

reaching out for this partnership and our friends in Europe, for example, Tony Blair in Great Britain, but some of our friends are pounding more on us than they are on the evil regimes of North Korea and Iraq.

Remember, that cancer that we find in North Korea and Iraq cannot be denied. No serious assessment of either of those countries, or Iran, frankly, could justify what those nations have done to their own citizens or could justify in any way whatsoever what those nations intend to do to the rest of the world.

There is no question in my mind or in the mind of anybody who has studied this, anybody of any consequence who has studied this at any length, that Iraq would utilize whatever weapon it had at its disposal, whether it was a chemical weapon, whether it was a nuclear warhead, whether it was the arm of terrorism, they will use whatever is necessary for an attack upon the free world. We must go against that.

Let me also say that the United States of America feels very strongly about the religion of Islam, very strongly about the Muslims who are United States citizens and the Muslims throughout the world who are not United States citizens. The evilness of the terrorist acts of September 11 do not represent that religion. Even in that religion where there is an exception for violence in a jihad, the definitions of a jihad do not fit the acts of September 11.

This Nation reaches out to all people of all colors, and we say we want individual rights, and we can come together as a team. There is a cancer that we have discovered. We must destroy that cancer, and we as a team can do it.

Finally, let me say that again, I cannot stress it strong enough, and I am saying this from the center of my heart, our President has made absolutely the right decision to go full speed ahead, to provide the citizens of this country with a defense against missiles of other countries, with a missile defensive system.

Right now many of our citizens believe that if a missile was fired against the United States of America that somehow we could defend against it. Our only defense at this point is a retaliatory strike. Is a retaliatory strike the best response? In my opinion, most of the time a retaliatory strike is not the best response. The best response is to neutralize the weapons being utilized against our citizens. We have an opportunity to neutralize one of the horrible weapons that could be used against the citizens of the United States and our friends.

Madam Speaker, I commend the President and my colleagues who are supportive of the missile defensive system, and I beg those few Members who oppose the missile defensive system to reconsider. We need your support. We need to give this President the budgetary support that is necessary; and,

frankly, I am confident that we will from both sides of the aisle. We will give this President the financial tools that are necessary to defend the interests of the United States

AMERICA NEEDS A WARTIME BUDGET

The SPEAKER pro tempore (Mrs. CAPITO). Under the Speaker's announced policy of January 3, 2001, the gentleman from California (Mr. SCHIFF) is recognized for 60 minutes as the designee of the minority leader.

Mr. SCHIFF. Madam Speaker, this evening the Blue Dog Democratic Coalition in the House will discuss the administration's request that Congress raise the Federal debt limit, an issue that we must address tonight in light of our current fiscal situation.

Simply put, America needs a wartime budget. We need a budget that will provide the resources necessary to win the war on terrorism, but not a dollar of wasted spending, that will stimulate our economy without aggravating our long-term deficits and that will protect and reform Social Security and Medicare but not finance the war out of its trust funds.

In sum, our country needs a budget that will call on the American people to make sacrifices to win, sacrifices they are willing to make if only their leaders will have the courage to ask and speak plainly.

The President's budget is not there yet. The budget calls for the most significant increase in military spending in more than 2 decades, and most of that increase will enjoy broad bipartisan support. We will do everything necessary to protect this country and our armed forces.

The budget also proposes more than \$500 billion in additional tax cuts, and it also proposes some additional domestic spending.

And the budget requires sacrifice. There is only one problem. It is not we who are being asked to sacrifice, it is our children. America will win the war on terrorism whether we have a wartime budget or not. Such is the resolve of the American people. But if we do not manage our Federal budget properly during this time of war, we will have precious little for anything less, schools, roads, health care, our future, our kids. In our victory, it will be our children who have borne the full cost of the battle. Not only are they the ones who will do most of the fighting, but the war will have been financed from their retirement, from their Social Security, out of their Medicare, and from their GI bill.

Because we are in a two-front war, after all. We are in a war around the world in more than 60 countries that harbor terrorists like al Qaeda, non-traditional foes that do not wear army uniforms, do not carry a national flag and do not have any qualms about the deliberate killing of innocent civilians.

And we are in a second war on another very large front called the United

States where we must guard our civilian aircraft, our water supply, nuclear power plants, and a thousand other possible targets, and winning this war will be costly under the best of circumstances.

Every generation of Americans can be the greatest generation. Courage, patriotism, love of freedom and love of country course through American veins. That spirit did not die out among the generations of World War II, Korea, or Vietnam. We saw that clearly after September 11. But there is one virtue we have yet to demonstrate before we can take our rightful place among the greatest generations: the willingness to sacrifice.

The price of freedom is high, and Americans have always paid it, President Kennedy said. We must pay it still. We should not, we must not, make our children pay it for us.

America has always been willing to sacrifice. She still is. But she must be asked by leaders who are willing to speak candidly about what is at stake and what it will take to win. She must be asked by leaders with faith in the essential generosity of the American people and who will not tell us that we can have our cake and eat it, too.

Members of the Blue Dog Coalition have always believed in crafting a budget in a balanced and thoughtful way that maintains our fiscal discipline, continues to pay down our national debt and does not rely on rosy or unrealistic long-term projections. That has been a hallmark of this group's legacy in Congress. A central component to fiscal discipline is putting forth a budget that is responsible and honest.

The administration has come to Congress and has asked this body to approve raising the debt limit so our country can continue to operate. We agree that this action is necessary, but we urge the administration to work with us to establish a long-term plan that is based on a realistic budget proposal. Only with an honest account of our economic outlook can we responsibly plan for the future of this Nation.

As we craft a budget for fiscal year 2003, we need to understand fully what our Nation requires and we need to use real numbers. We must accurately account for every tax reduction, and we need to include government expenditures that are virtually certain to occur.

Unfortunately, many costs have been left out of the administration's budget calculations. The budget is not balanced, and I would encourage my colleagues to take a closer look at some of the calculations used in this year's budget proposal. Here are a few examples:

First, the budget makes recently proposed and enacted tax cuts permanent. However, it does not include the cost of extending the individual Alternative Minimum Tax beyond 2004, which is almost certain to occur. The budget assumes that there will be 39 million taxpayers subject to the AMT by 2012, but

there is almost no possibility that that will be allowed to take place. In fact, the Joint Committee on Taxation estimates that the cost of addressing this problem alone amounts to several hundred billion dollars over the next 10 years, a cost which the administration budget leaves out.

Second, the administration's budget extends certain popular tax credits for only 2 years, while it is almost certain that they will be extended for the full 10 years. Research and development tax credits, for example, have been in place since 1981 and have been instrumental in our Nation's ability to develop technology, biomedical research, and scientific breakthroughs. We cannot realistically expect that these tax credits will be phased out in 2 years. But the administration's budget proposal only includes them for 2 years instead of 10.

Finally, the budget proposal also underestimates the costs of all the new proposed tax cuts by phasing them in very slowly so that their full cost will not appear until late in the decade. For example, the proposed deduction for charitable contributions would not become fully effective until the year 2012.

The budget that came from the White House estimates its tax cut proposals as costing \$665 billion between 2003 and 2012. In reality, the cost would be much higher. The Center for Budget and Policy Priorities estimates the true cost is closer to \$1 trillion over the next 10-year period, and that is not all.

Under the House-passed economic stimulus bill, huge retroactive tax relief would be provided to some of America's largest corporations. Enron itself would have been the beneficiary of more than \$250 million in tax benefits, all at a time when we are spending the Social Security surplus.

The President, as well as the House leadership, must rethink the magnitude of these new tax cuts which have been proposed. Some tax cuts are desirable. They have a stimulative impact on the economy if they are designed to affect current spending, and they empower the taxpayer to control more of his or her own financial choices and destiny.

When we had a \$5.6 trillion surplus and no war, we could afford a substantial tax cut, and I supported the President. But now we are at war. We have no surplus, and we are spending the Social Security trust fund.

While I would not blame the President for the recession and none can fault him for the war that has been thrust upon us, the fact remains that we now have both and we cannot shrink from the consequences. We need a plan for the long-term budget that brings us back to a time of fiscal responsibility. We are spending money faster than it is coming in and, in doing so, we are risking the long-term solvency of our Federal budget and, worse, we are mortgaging our children's future. We must come together to offer an honest budget for the American people, one without gimmicks