

appear hereafter in the Extensions of Remarks.)

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

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

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

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

□ 2030

BLUE DOG COALITION

The SPEAKER pro tempore (Mr. MARCHANT). Under the Speaker's announced policy of January 4, 2005, the gentleman from Arkansas (Mr. ROSS) is recognized for 60 minutes as the designee of the minority leader.

Mr. ROSS. Mr. Speaker, for the next 60 minutes, me, along with other Members of the fiscally conservative Blue Dog Coalition, will come to the floor of the United States House of Representatives to talk about the debt, the deficit, the budget, the cuts in spending as well as tax cuts that will be proposed on the floor of this House this week.

Mr. Speaker, let me begin by explaining what the Blue Dog Coalition is all about. It is a group of 37 conservative moderate Democrats. Democrats that are concerned about this country's future, because of today's reckless spending, 37 conservative to moderate Democrats that are concerned about what today's reckless spending means for tomorrow's generation, our children and our grandchildren and their future.

For those who come to our Nation's Capitol, as you walk the halls of the House office buildings, the Cannon House Office Building, the Longworth House Office Building, the Rayburn House Office Building, it is easy to identify an office that houses one of the 37 conservative Democrats that belong to the Blue Dog Coalition, because by the door to each of our offices you will find a sign like this right here, the Blue Dog Coalition reminding every taxpayer in this land of the national debt. Today, the U.S. national debt is \$8.121 trillion and some change. And if you break that down to every man, woman and child, including those who are born today, every citizen of this country would have to pull out their checkbook and write a check to the tune of \$27,000 and some change to pay off this national debt.

There are those in this administration and within this Republican Congress that say debts do not matter. We all know that is not true. We all know that the larger the debt, the more demand there will be for money and the

higher interest rates will go. We are already starting to see it happen. We all know during the last 4½ years that one of the things that kept us out of a recession, just barely, was low interest rates that allowed people to refinance their homes and have some extra cash to buy things and encouraged people to become and be able to afford to become first-time homeowners; and it allowed others to either add on to their house or to sell their house and buy a new one. Those low interest rates are rapidly disappearing as we see interest rates continuing to go up and up and up.

It is hard to believe now, but from 1998 through 2001, this Nation had a balanced budget. This Nation did not deficit spend from 1998 through 2001. And now this President, this administration, this Republican Congress has given us, American citizens, the largest budget deficit ever, ever in our Nation's history. For what? For a fifth year in a row.

Put it another way. The total national debt from 1789 to the year 2000 was \$5.67 trillion. But by 2010, the total national debt will have increased to \$10.88 trillion. Tonight, it stands at \$8.121 trillion. That is \$8.121 trillion and some change. This is a doubling of the 211-year debt in just 10 years, in just the past decade. Interest payments on this debt are one of the fastest growing parts of the Federal budget, and the debt tax, I did not say death tax, the debt tax, a phrase coined by the Blue Dog Coalition, is one tax that cannot be repealed.

And let me tell you what I mean by that. Every day in this land, our Nation is spending a half a billion dollars. That is right, \$500 million every single day simply paying interest on the national debt. How much is that? We could build 100 brand new elementary schools every single day in America just with the interest we are paying on the national debt. It is what we call the debt tax, D-E-B-T, and it is one tax that cannot go away. It is one tax that will prevent us from being able to meet the priorities of this Nation when it comes to education and health care and the economy and so many other important areas until we get our fiscal house in order and pay down this debt and stop this deficit spending.

Deficits do matter. Deficits reduce economic growth. They burden our children and grandchildren with liabilities. They increase our reliance on foreign lenders who now own 40 percent of our debt. That is right. Foreign lenders now own 40 percent of our debt.

Let me put it another way. This President, this administration, this Republican Congress, in the last 4½ years has borrowed more money to run the United States of America than the previous 42 presidents of the United States combined.

Now, let us think about that. This President, this Republican Congress has borrowed more money from foreign governments, foreign lenders and for-

eign central banks to operate our government than the previous 42 presidents combined.

Congressman JOHN TANNER, a founder of the Blue Dog Coalition from Tennessee, said it best when he said if China decides to invade Taiwan, we, the United States will have to go borrow even more money from China to defend Taiwan. What has happened to this country? What has happened to the fiscal responsibility that leaders of this country should share? It is a duty and an obligation that we keep, or at this point, put back, restore fiscal discipline to our Nation's government, and that is what the Blue Dog Coalition is all about.

The United States is becoming increasingly dependent on foreign lenders. Foreign lenders currently hold a total of \$2 trillion of our public debt. You see here, we owe \$8.121 trillion. That is how much money, more money we have spent than we have taken in as a government. That is how much money we have borrowed. In fact, we are borrowing to the tune of about \$907 million a day, we are sending about \$188 million every day to Iraq, \$33 million every day to Afghanistan. And the list goes on and on. Two trillion of our public debt has come from foreign lenders or 45 percent of our total debt.

Some people may wonder where the other 6 trillion is coming from. The majority of it is coming from money that the politicians in Washington are borrowing from the Social Security trust fund with no provision on how or whether that money ever gets paid back.

Now, when I go to my banker to get a loan, he wants to know how I am going to pay it back, when I am going to pay it back and where the money is going to come from to pay him back. And yet, our government continues to borrow money from Social Security with no idea on how or when that money is going to be paid back or where it is going to come from to be paid back. No wonder this Republican leadership and this Republican Congress refused, refused to give me a vote or to give me a hearing on my bill that basically told the politicians in Washington to keep their hands off of the Social Security trust fund.

I mentioned that we were going to have a number of Blue Dogs join us this evening. 37 Members in the Blue Dog Coalition. We are conservative to moderate Democrats and we come from all across this Nation. And at this time, it gives me great honor to be able to introduce a real leader in the Blue Dog Coalition, someone that understands fiscal responsibility, someone that came from a state legislature where he helped balance a state budget, and that is the gentleman from Georgia, DAVID SCOTT.

Mr. SCOTT of Georgia. Thank you so much my distinguished colleague, Congressman ROSS, from the great State of Arkansas. You continue to do an extraordinary job of leadership in this

Congress and the people of Arkansas, I am sure, are very, very proud of you.

It is indeed a pleasure to join you once again as we talk about the number one issue facing the future of our great Nation. Alexander Hamilton said it best, who was the father of our financial system, when he said, woe to those who borrow more than they have.

Our Founding Fathers would not be proud of this country today when we say that 90 percent of every penny that we are spending to run this country today is coming from foreign countries. That is a very dangerous position for this country to be in. And I am here to tell you especially that China and India are eating our lunch. Not only are we borrowing money to run our government on it, but through our warped trade policies, we are exporting thousands and thousands of manufacturing jobs from Arkansas, from Georgia, from this country over to India, over to China and these other countries. So it is important that we wake up America. I believe that is our mission as Blue Dogs, to wake up this country to understand what the number one issue is facing us.

And the gentleman mentioned my time in Georgia where I served in the Georgia legislature for nearly 30 years, 10 of those as chairman of the Senate Rules Committee. And we kept the State of Georgia in sound fiscal shape because we made it the law that we will not spend more than we have. And that is what we have got to do in this Congress of the United States to get our financial house back in order. For 5 years, the Blue Dog caucus has been warning, we have been pleading, we have been begging, we have been talking about the dangers of blowing the Federal surplus that was left by the last administration. Say what you want to say about Bill Clinton and the Clinton administration. But they left this country in fine shape, with hundreds of billions of dollars in surplus.

In September, the Blue Dogs formally asked President Bush if he would be kind enough to hold a bipartisan summit on budget deficits and Federal spending. That offer was rejected. Instead, President Bush and the Republicans want to cut money from our veterans. Yes, our veterans. Cut money from our veterans. Cut money from our farmers, cut money out of seniors programs, out of children's programs and cut the very programs designed to help those who need the help the most right now, and those are our victims of Katrina and Rita and Wilma, and then to give \$70 billion in tax cuts to the wealthy among us, who really do not need it. We cannot afford to give it to them now. And I have had wealthy people even come up to me and say, we do not need this money now. The victims of Katrina need the money. The farmers need the money whose farms have been flooded. Senior citizens need the money. We do not have health care. Our young people need the money to go to school instead of cutting our edu-

cation budget. And now we are concerned about our national credit. Now we are discussing the budget deficit. But we did not discuss the dangers of overspending until Hurricane Katrina hit. Then we correctly responded. And now what are we being asked to do? We are being asked to cut the very programs that it would help, people like the ones displaced by the hurricanes. America deserves better than this. Americans deserve much better than this, and they are expecting this House of Representatives to give better, and we can do better. And the first order of business is to certainly reject these painful cuts that are untimely. A time when our Nation is in great need and great pain is not the time to cut these vital Social Service programs.

□ 2045

And certainly it is not the time to give tax cuts to the wealthy. Not now. And I am one who supports tax cuts. I supported the first round of tax cuts. But I am at the head of the list today, as most of us should be. This Nation is suffering too much, too greatly for us to give tax cuts to those who really do not need it at this time.

I believe that the Federal budget process is a series of smoke and mirrors designed to deflect from the real financial disaster facing America. There is no provision in the current rules that enforces a balanced budget, and we Blue Dogs have been preaching that for years, pay-as-you-go. And there is nothing there that allows Congress to defy the budget rules at will. America and many people are wondering when we are going to run this government with the care and the sincerity, with the interest of taking care and being good stewards of their tax dollars, run it like a family business. We ask America to do the same thing, families and businesses. Our Federal Government should be at the top of the list.

And let me just point this out, Mr. Speaker: in today's headlines all across this country, it says a report, the USA left open to attack, shocking gaps cited by the 9/11 Commission. The final report from the 9/11 Commission that came out today gives us failing grades, and they warn us that terrorists will strike again and they will cause catastrophic destruction. And what do the Republicans do? They want to give tax breaks to the wealthy by cutting and failing to fund the basic program that the 9/11 Commission said we need to do, and that is to provide the radio-spectrum communications devices so that our firefighters and our first responders can at least coordinate and communicate with one another during the crisis. A failing grade.

Our precious Americans deserve better. We cannot afford the tax cuts for the wealthy now. Perhaps later. America is hurting now. America is in pain now. We need help now.

The victims of the gulf region were just up here today testifying before the

Government Reform Committee, their hearts breaking, tears in their eyes. Our American citizens are suffering. We failed them down in New Orleans. Many are homeless. And we are failing them today by cutting the very programs that we have designed to give to them. America deserves better.

This budget reconciliation bill reminds me of the poorly run business that lays off employees in order to stay in the black. That same company in turn gives big bonuses to the corporate officers. Our American Nation is in terrible financial shape of the deficit and now because of the Republicans wanting to add to that deficit \$70 billion in tax cuts for the wealthy. The American people are watching this debate; and they need to know what programs will be cut, what we are talking about in this reconciliation.

I want to talk first about the budget cuts. We need to remind the American people how irresponsible we are at this precious time. Nearly \$12 billion will be cut in Medicaid; yet nearly 45 million Americans, in spite of that, do not even have health insurance. The cost of college is increasing faster than inflation; however, more than \$14 billion will be cut from student loan programs. And the Department of Agriculture is reporting that an additional 2 million Americans are now going hungry; yet over \$800 million will be cut in the food stamp program. That is immoral, and we cannot stand for it.

Other programs will be cut, including nearly \$5 billion for child support programs. Agriculture programs will be cut at a time when high energy prices are crushing the family farmer. Veterans cut by \$2 billion, child nutrition by \$2 billion at a time when children are going hungry.

The Federal budget should be an honest blueprint for our spending priorities of the government. However, this budget process is not honest, and I am going to tell my colleagues something. The American people are sick and tired of this dishonesty coming out of Washington. We might as well say what it is. And they are expecting their congressmen and -women to stand up and represent them with honor, with dignity. This budget process is, indeed, not honest because we are passing on our obligations, our responsibilities, our challenges, and this debt to our children, our grandchildren while cutting programs that benefit the poorest among us. We need not accept a Federal budget that singles out hard-working middle-class American families; those who have served our Nation, right now making our veterans have to choose between whether they have their veterans retirement pay or whether they take disability. That is wrong. They should have both. They should not have to make those decisions. Society's most vulnerable citizens, Americans deserve an honest budget that reflects their priorities and that honors their hard work, and that is what we must do.

Finally, let me say this: I think that great writer Sir Edmund Burke put it best when he said that the only necessity for the triumph of evil, for the triumph of wrong, is for good men and women to do nothing. And that is why we Blue Dogs are standing in this Congress tonight. We are standing up and we are doing something. We are demanding that this Congress treat the American people better, and the first step is to reject these budget cuts and to reject this tax reconciliation package.

Mr. ROSS. Mr. Speaker, reclaiming my time, I want to thank the gentleman from Georgia (Mr. SCOTT), a fellow member of the 37-member strong fiscally conservative Blue Dog Coalition, for joining me here on the floor this evening, as we will do every Tuesday night, to talk about the Nation's debt and deficit and what it means not only for today's generation but for our children and grandchildren and for future generations.

And, again, Mr. Speaker, I remind the Members that outside the office of every Blue Dog Member of Congress, every fiscally conservative Democrat in the Congress, there are 37 of us. We are 37 strong. And as one walks the Halls of Congress, it is easy to spot a Blue Dog Member because beside their front door next to that welcome mat is a poster that will demonstrate and remind the taxpayers of this Nation of a number that unfortunately changes and goes up every day.

Today, the U.S. national debt, when we went to work this morning, was \$8.121 trillion-and-some-change. Again, for every man, woman, and child that is a citizen of this country, for us to get this Nation out of debt tonight, they would have to write a check for \$27,000. Our Nation is spending a half billion dollars every single day in this country simply paying interest on the national debt. Give me 3 days' interest on the national debt, and I can finish I-49 through the western side of Arkansas. Give me 4 days' interest on the national debt, and I can finish I-69 across southeast Arkansas. These are priorities that will continue to go unmet until we get our Nation's fiscal house in order. And that is why we are here, to try to bring about some accountability within our government.

We are not here to point fingers or to criticize this Republican Congress for the fact that they have given us the largest budget deficit for the last 4½ years ever in our Nation's history. Again, we had a balanced budget from 1998 through 2001. This Republican administration, this Republican Congress has given us the largest budget deficit ever in our Nation's history for 5 years in a row. As Blue Dog Democrats, we are sick and tired of all the partisan bickering that goes on in our Nation's capital. It should not matter if it is a Democratic idea or a Republican idea. It ought to be about is it a common-sense idea and does it make sense for those who send us here to be their voice and to represent them.

So this discussion, this debate here on the House floor is not about pointing fingers. It is about accountability. It is about accountability to the American citizens. It is about accountability to the taxpayers. And this Congress is not being accountable when it has driven up the largest deficit ever in our Nation's history for the 5th year in a row and given us the largest debt ever in our Nation's history.

I am pleased to yield to not only a fellow member of the Blue Dog Coalition but a real leader in the Blue Dog Coalition, one of the co-chairs of the Blue Dog Coalition, and that is the gentleman from California (Mr. CARDOZA).

Mr. CARDOZA. Mr. Speaker, I thank Mr. Ross for yielding to me. I have to say the citizens of the gentleman's district in Arkansas are certainly ably represented.

It is interesting that before, as he was talking here earlier and mentioned that we are spending in excess of a half billion dollars a day just on interest on the national debt, I was thinking I do not know how much his State budget is per year, but my State budget in California is around \$100 billion a year. And if we were to take his State's budget and Mr. SCOTT's State budget and add them all together with my State's budget, I would bet that we would still be below the annual number of what we pay in interest alone. So if we think about all of the work that our local governments do in our States and we take three States, Georgia, Arkansas, and California, that is a huge, vast sum of money that we are paying just in interest on the national debt.

Mr. ROSS. Mr. Speaker, the gentleman from California makes an excellent point. In Arkansas I was in the State senate there for 10 years. It has grown since then. I have been here 5 years now. But the Arkansas State budget is somewhere around \$5 billion a year, is what the Arkansas State government budget is. That means that just the amount of money we are spending as a Nation on interest on the national debt in 10 days equals the budget for the State of Arkansas for a year; and I think it really drives on the point of how much a half billion dollars is. Our Nation, again, is borrowing \$500 million every 24 hours simply to service the debt, simply to pay interest on the debt; and that is \$500 million that cannot go for better schools, better education, better health care, increasing teacher pay. These programs are going unmet, and they will continue to go unmet until we get our fiscal house in order.

As I was mentioning earlier, as Blue Dogs we are tired of all the partisan bickering that goes on in our Nation's capital, and we are not here to condemn the Republican leadership, the majority, this Republican administration for failing the American people by giving us the largest deficit ever in our Nation's history without also offering up the solution. And as Blue Dog mem-

bers, the Blue Dog Coalition has a 12-point plan for budget reform, 12 points. We will be discussing some of them tonight. We will be discussing them every Tuesday night. Twelve points that we believe have to be implemented by this Congress before we can have meaningful and truthful budget reform.

So we are not here as conservative Democrats to simply say Republicans are bad. We are here to offer up two things: we are here to demand accountability, to put our fiscal house back in order, restore some common sense to our Nation's government; and we are also here to offer a plan. We have a plan of action, and we are calling on this Republican Congress and this Republican President to embrace our 12 points for budget reform. Let us come together and let us fix this problem for the American people before this number, this \$8.121 trillion debt, gets any bigger.

□ 2100

Mr. ROSS. I yield to the gentleman from California (Mr. CARDOZA).

Mr. CARDOZA. As you were taking about that, it reminded me that there was another fellow from your district by the name of President Clinton who had inherited this same kind of problem once before. In his 8 years in office he took an annual debt and made it into an annual surplus.

And he did that through sound financial practices. I recall that they eliminated a vast number of programs and commissions and wasteful spending in government. I believe Mr. Clinton assigned that task to the Vice President.

In fact, we took, as Democrats, a deficit budget and made it into a surplus budget in the 1990s. In just 5 years, we have gone in a different direction. I believe it is putting our Nation in serious jeopardy. I just thought it was appropriate that I acknowledge that there has been two fiscally conservative leaders from your area, both you and Mr. Clinton.

Mr. ROSS. Well, it is the most fascinating thing for me. Ever since I was a small child growing up in Emmett and Hope and Prescott, Arkansas, my dad was a public school educator and a principal and a superintendent. And, well, that is a profession kind of like preachers and coaches; we moved around some, but we never got too far from home.

You know, growing up as a small child in rural south Arkansas, I always heard it was the Democrats who spent the money. And yet it was a Democrat named Bill Clinton who gave us the first balanced budget for the first time in 40 years. Of all things, a Democrat from Hope, Arkansas, my home town, where I graduated high school in 1979.

And so I think it is important that the American people recognize that this Republican-led Congress, you know it is the first time in 50 years they have controlled everything, the White House, the House, the Senate. And what are they giving us? They are

giving us the largest budget deficit ever in our Nation's history for 4½ years.

It is time to restore some common sense and fiscal discipline to our Nation's government and stop this reckless spending. Again, today, the U.S. National debt is \$8.121 trillion.

Mr. CARDOZA. Mr. Speaker, as the gentleman was talking, I recall when I was an intern in this body for Congressman Martin Frost from Texas, 26, 27 years ago, I sat here and listened to the Republicans rail against the Democrats saying that they were fiscally irresponsible.

And yet since that time, their deficits, when they have been in control, the White House and now in control of everything, have just exploded. I wish they would go back and read those and listen to those old tapes, I am sure C-SPAN still has them back in the old archives, and remember what they said when they were in the minority.

I yield to the gentleman from Georgia (Mr. SCOTT).

Mr. SCOTT of Georgia. I just wanted to go back to a point that both of you made, because I think it is important for the American people, those who are watching us, to know the role of leadership that Democrats have played throughout the history of this country, going all the way back, and you go to the great world war and Franklin Delano Roosevelt. You come all of the way up through all of the Presidents that we have served. We have been very strong and very responsible in areas of defense, in areas of the budget, bringing it in on time.

This is just a recent phenomenon with this administration. So I do not want the American people to feel like we are jumping on the Republicans here. The truth is there. When Democrats left office running this government there was an extraordinarily large surplus. Nobody argues with that. We are in an extraordinary deficit now, and dangerously so. And I think what we are seeing here tonight as Blue Dogs, as Democrats, is this: that whether you are Republican, whether you are a Democrat, the whole point of it is, I think we all will agree, that our country deserves better.

The American people deserve better than what this is, and all we are doing as Democrats, and as our Blue Dog Coalition, is proving our heritage, proving our purpose, our mission, our goal, is to bring about a balanced budget. We are the group in this Congress that has been at the leadership of this issue. It is time to lead. We have been leading. We think we are getting the ear of the American people.

Once we get the ear of the American people to help put pressure on this Congress, which unfortunately or fortunately, depending upon what party you belong to, is run by Republicans. And I think Republican and Democrats can work together. And there are many on the other side of the aisle who want to bring this deficit down

Mr. ROSS. Mr. Speaker, the gentleman from Georgia (Mr. SCOTT) makes an excellent point, that is, that this is not about politics. It is not about who is a Democrat or who is a Republican. It is about accountability. It is about a group of us that want to restore accountability to our Nation's government and want to restore some common sense and fiscal discipline to our Nation's government.

And, quite frankly, this debate is about priorities. It is about values. On November 18, at 1 o'clock in the morning, this Congress passed, on a 217 to 215 vote, barely passed, something that they deceptively titled the Deficit Reduction Act. It cut spending \$50 billion to prepare for another \$70 billion in tax cuts.

Only in Washington can you increase the national debt \$20 billion and call it a Deficit Reduction Act. Do not take my word for it; it is H.R. 4241. Look it up.

So this budget reconciliation package, this so-called Deficit Reduction Act, it cut Medicaid, the health insurance plan for the poor, the disabled, the elderly. Half the children in Arkansas are on Medicaid. Eight out of every 10 seniors in the nursing homes are on Medicaid. One out of every five people in my home State are on Medicaid. You know, that is my America.

People count on Medicaid. A lot of people think, oh, that is for poor people that are on welfare; it will never affect me. Well, let me tell you something. If you got a quarter of a million dollars in the bank the day you retire, and where I come from most people do not, and if you go in the nursing home the day you retire, not 5, 10 or 20 years later, in less than 8 years, folks, you are on Medicaid. And yet this Congress voted to cut Medicaid \$11.4 billion on November 18.

\$14.3 billion in Federal student aid programs. Our future generation. The largest cut to the Federal student aid program ever. \$3.7 billion in cuts to farm programs, including cuts to commodity programs, conservation programs, renewable energy programs, and rural development and nearly \$700 million in cuts to food stamps.

For what? There are some in this Chamber who wanted you to believe that it was to help pay for the war in Iraq. Not so. There was some in this Chamber who wanted you to believe it was to help offset the cost of the hurricanes, Katrina, Rita, Wilma. Not so. It was to help offset \$70 billion in tax cuts that mostly benefit those who earn over \$400,000 a year.

Only in Washington. Only in Washington can you call something the Deficit Reduction Act that increases the national debt by \$20 billion, \$50 billion in cuts to the poor, the disabled and the elderly, to pay for another \$70 billion in tax cuts for those earning over \$400,000 a year.

You want to talk about values; you want to talk about morals. Growing up at Midway United Methodist Church

just outside of Hope, Arkansas, and listening to the preachers every Sunday, and listening to my parents, great role models for me as public school educators, I can tell you that that does not represent my morals, and it certainly does not represent my values, the kind of conservative small-town values that I was raised on and still believe in.

Mr. Speaker, with that I yield to the gentleman from Tennessee (Mr. COOPER), another one of the co-chairs of the Blue Dog Coalition, a real leader in this Congress, someone who has been around for quite some time, a real leader in the Blue Dog Coalition, a co-chairman of the 37-Member-strong fiscally conservative Blue Dog Coalition.

Mr. COOPER. Mr. Speaker, I thank my friend, the gentleman from Arkansas (Mr. ROSS) and, I appreciate your leadership in this Special Order and in so many activities in our Congress.

I want to point out a couple of things, and perhaps you have touched on them already, because from what I have heard of your remarks, I am proud to associate myself with them. You are doing a great job of helping inform the American people about what is really going on with their country.

A couple of things about the Blue Dog chart. Every Blue Dog has a chart just like that outside of their office. It is a little bit scary, because most people who come into our offices do not realize the debt is that big.

But the deficit is about to bust the debt limit cap. Just a few billion dollars from now, our Nation is going to have to ask formal permission to raise the debt ceiling of the United States. Just a few billion dollars from now, we will lose our ability to borrow any more money unless an act of Congress changes that.

And yet the leadership in this Congress is not telling the American people about that. They are going to hide that information until next February, next March, even though, as that chart shows, the debt is already 8.121 trillion.

By the time it gets to 8.170 trillion, we will lose our ability to borrow any more money as a Nation. Our credit card will be maxed out. That is a moment of tragedy for our country because the actual debt burden for working families, if you look at the unfunded obligations of our country, it is not the \$27,000, for every American. For a working family, it is \$350,000 of debt burden that is already on their shoulders.

So I like to refer folks to a report that came out, it is available on the Internet, it is from the Heritage Foundation. That is not a Democratic group. It is a strong Republican group. But it is one of the scariest reports to ever be issued. It came out on November 30. It is by Brian Riedl. It details how under the Republican budget we can look forward to \$800 billion annual deficits, permanent structural deficits that will never go away.

So I just wanted to help folks who may not appreciate Blue Dogs, who

may appreciate Republicans more, that they need to read from the Republican think tank about what the Republicans are doing to our country's finances. This is an issue that should concern all Americans, whether Democrat or Republican.

I am proud of the role that the Blue Dogs are playing in trying to reduce this fiscal insanity, to try to get our Nation back on the right path again. I thank my colleagues, particularly the gentleman from Arkansas (Mr. ROSS).

Mr. ROSS. Mr. Speaker, I thank the gentleman from Tennessee (Mr. COOPER) and would invite him to stick around as we continue this debate about restoring fiscal responsibility to our Nation's government. I think it is important to note not only that we have an \$8.121 trillion debt this evening, not only important to note that we are spending \$500 million of American citizens' tax money every day simply paying interest on the national debt, or the fact that we are borrowing about \$907 million a day.

I think it is also important to contrast and make the American people aware that these \$50 billion in cuts came from Medicaid, came from student loans, came from farm programs, came from food stamps to fund tax cuts for those earning over \$400,000 a year.

In fact, this week, this week, we are going to vote on legislation that would provide the majority of tax relief to the most fortunate. That is on the heels of November 18 at 1 a.m. when we voted, they voted, the Republican leadership voted, on a 217-to-215 vote, that I might add not one Democrat voted for, to cut Medicaid and student loans and farm programs and food stamps. They voted to do those cuts to do what? To pay this week for a tax cut, \$70 billion in tax cuts.

The reduced tax rates on capital gains and dividends, something most of the folks in my district do not have to worry about, they wish they did, the reduced tax rates on capital gains and dividends will cost over \$20 billion, or 36 percent, of the bill's total, nearly 50 percent. I talk about how these tax cuts will benefit those earning over \$400,000 a year.

Nearly 50 percent of the benefit of these rate reductions will be received by those with annual incomes of over \$1 million. We are not talking about people who have \$1 million in the bank. We are talking about annual incomes of over \$1 million. That is where 50 percent of the \$70 billion will go; and the majority, the rest of it will go to those earning \$400,000 a year.

Look, as Members of the fiscally conservative Blue Dog Coalition, we are conservative Democrats. A lot of us support tax cuts when we can afford them. I was a Democrat that voted for tax cuts. It was before 9/11. It was before Iraq. It was before Afghanistan. We really had a surplus. We really were giving people some of their money back.

□ 2115

Since then, I have opposed these tax cuts for a simple reason. I will give them this. It might make for good politics, but it makes for bad fiscal policy and it is the wrong way to treat our children and our grandchildren because now with every tax cut, that mostly benefits those earning over \$400,000 a year, how are we paying for it? Not by cutting spending. That is one of the 12 points in the Blue Dog plan. If you are going to cut taxes, cut spending. That is what we do at the Ross home in Prescott, Arkansas, around the kitchen table. If we want to buy something, we have got to make sure we have got the money in the checkbook to pay for it. If we want something really bad that costs more than we can handle that month, we have to cut something else. As a State Senator for 10 years, Arkansas like 49 States in this Nation, I had to help balance the budget. And we did it. There is no reason why this Nation cannot have a balanced budget.

We are not against tax cuts. We are against borrowing the money from China and Japan and the Caribbean banking center and OPEC nations to pay for tax cuts. Yet this week another \$70 billion will be borrowed, mostly from foreign lenders, foreign central banks, foreign investors, to pay for tax cuts to the tune of \$70 billion that mostly benefits those earning over \$400,000 a year, at a time when we have a record debt of \$8.121 trillion that continues to increase every hour.

I yield to the gentleman from California.

Mr. CARDOZA. I want to thank the gentleman from Arkansas for a great explanation of what the problem is. But as part of that, I also want to highlight the fact that the Republicans criticized the Blue Dogs for not supporting what they call the Deficit Reduction Act. I want to tell you just one reason why, just one out of many, but I believe the most immoral cut that was advocated by the Republican side of this Chamber, and, as you said, not one Democrat voted for that bill, was the \$600 million cut to foster care programs. You cannot tell me that out of a \$2.2 trillion budget, you cannot find someplace else to cut. But \$600 million from orphaned and abused children who are put in foster homes, that to me is just unconscionable. And so what they are asking us to do is not a reconciliation but a changing of priorities. I do not believe that cuts to orphaned and abused children are American priorities. I certainly don't believe they are American family values. That is not what we learned in church. That is not what I learned in church.

Mr. ROSS. And, I might add, you know a thing or two about that.

Mr. CARDOZA. Well, I do, Mr. ROSS. In fact, I have two children that were adopted out of foster care. My wife and I are blessed to have two children from foster care. I just cannot believe that we cannot find a different place to cut. I know after dealing with the foster

care system that there are a lot of things that do not work in that system, but it is not that there is too much money in the system, because having seen it up close, there is not too much money in the foster care system. We don't have enough resources. We can save kids from going into a life of crime or being victimized in other ways that cost society much greater amounts. Incarcerating one prisoner is over \$40,000 a year. If we lose a young person because of the way they are treated in foster care and being abused a second time after they have been abused either in their home or abandoned or neglected like my children were, if we lose them in the system, it will cost society much more in the long run.

I have a word that I want to call this. I believe we should call this Scrooge-onomics, because I believe it is just the wrong priorities. The other side in my priority has adopted Scrooge-onomics. Just like in the movie and in the book written by Charles Dickens, I just hope that my colleagues on the other side don't wake up with a nightmare of the ghost of Christmas past when they sleep in their nice warm homes, in their nice warm beds on Christmas day, that they have totally forgotten about those children who don't have the same kind of advantages that they have in life. I would ask them to abandon Scrooge-onomics and adopt a vision for America that is much more compassionate, conservative but compassionate, truly compassionate, and adopt a vision that we can all be proud of instead of abusing our foster children a second time.

Mr. ROSS. We discussed \$11.4 billion in cuts to health care for the poor, the disabled, the elderly. Eight out of 10 seniors in nursing homes in Arkansas, my home State. \$14.3 billion in cuts to student loans, at a time when I know how many parents feel now, because I have got a child that will soon be going off to college. My wife and I are very blessed. We are very fortunate that we will be okay. We both went to college, we got a good education, we work hard and we will make sure our children get an education. But we are thinking about it and we are concerned about it. I now understand how so many parents across this country lay in bed at night and can't sleep worried about the cost of their child's education, at a time when \$14.3 billion has been cut from Federal student loans. \$3.7 billion from our farm families at a time of record diesel prices and we just went through a drought. \$700 million in cuts to food stamps. It is like this Republican Congress thinks that people are going to wake up tomorrow and not be poor or sick anymore. My wife and I own a small town family pharmacy. I see a lot of people come through our doors that are sick. Never once have I met one that loved being sick. We meet a lot of poor people that come through the doors of our pharmacy in my hometown of Prescott, Arkansas, 3,400 people, where everybody knows everyone.

We know a lot of poor people. We see them come through our door. Never once has someone said, I'm proud to be poor. Yet these cuts make it appear as though people in this country are going to wake up tomorrow and not be poor or sick anymore. And now you are telling me on top of these, there is cuts in that bill, the Deficit Reduction Act, that actually adds \$20 billion in new debt that cuts our orphans in foster care?

Mr. CARDOZA. That is right, Mr. ROSS. Not only does it cut those two populations but it is done to pay for tax cuts, to pay for additional tax cuts.

Mr. ROSS. This week's tax cuts. \$70 billion this week, mostly to benefit those earning over \$400,000 a year, half of it to benefit those earning in income over \$1 million a year.

Mr. CARDOZA. I don't think you can call it anything but Scrooge-onomics.

Mr. ROSS. Scrooge-onomics.

With that, I will recognize the gentleman from Tennessee (Mr. COOPER).

Mr. COOPER. You have made very powerful statements here tonight. One point that needs to be addressed a little bit more is the fact that we are going to be borrowing even more money from foreigners and the gentleman touched on that, particularly the Chinese. They are lending us more and more money, but I didn't know if you had pointed out so far here tonight as our colleague, JOHN TANNER, has shown in the past that President George W. Bush has already borrowed more money from foreigners in the last 5 years than every previous President in American history combined. That is an incredible statement because that is every President from George Washington through Bill Clinton. They borrowed about \$1 trillion in total from foreigners. But already under President George W. Bush we have borrowed over \$1 trillion just from foreigners. So the gentleman's very powerful points about cuts to American citizens, cuts that are really going to damage their lives, at the same time we are cutting them, we are going to be paying more interest money to foreign lenders, to foreign bankers.

And talk about wrong priorities. Hurting home folks so we can benefit rich foreigners? That is completely out of hand. But that is what happens when we not only have giant deficits but we have to borrow so much money from foreigners.

Mr. ROSS. \$2 trillion of our debt today is being held by foreign lenders, foreign governments, foreign central banks. Compare this to only \$23 billion in foreign holdings in 1993. The top 10, it is kind of like David Letterman later tonight and his top 10 list. The United States of America, we owe Japan \$687.3 billion. We borrow money from them to pay for tax cuts for the wealthy people here in this Nation. China, we owe them \$252.2 billion. I know I have got that southern drawl and so I want to make sure everybody understands that I say billion, not million. \$252.2 billion.

United Kingdom, \$182.4 billion. Caribbean banking centers. I had never heard of such. Caribbean banking centers, \$102.9 billion. Korea, \$61.7 billion. OPEC, and we wonder why gasoline is so high, we have borrowed \$54.6 billion from OPEC. Taiwan, \$71.8 billion. They are counting on us to defend them if China invades them and we are borrowing money from Taiwan. The gentleman from Tennessee (Mr. TANNER), a founder of the Blue Dogs, again he put it best when he said, if China decides to invade Taiwan, we'll have to borrow even more money from China to defend Taiwan. Germany, \$63.5 billion. Switzerland, \$37.5 billion. And Hong Kong, \$48.1 billion.

Again, this President, this administration, this Republican Congress, has borrowed more money from foreign lenders in the past 4½ years than the previous 42 Presidents combined. It is time for accountability. It is time to restore fiscal discipline to our Nation's government.

I hope the gentleman from Georgia agrees.

Mr. SCOTT of Georgia. I definitely do agree. Just to bring your point home and the gentleman from Tennessee's point home about what we are doing and the money we are borrowing from foreign governments, just think about this as you tie that to homeland security. We are spending more in our interest and the fee and the costs that we are paying these countries, in addition to the billions of dollars for each country you have mentioned, there is an interest on top of that that they are charging us to borrow the money. It is more than what we spend on our own homeland security. You talk about the height of irresponsibility.

But I do want to make sure that the American people understand the hypocrisy that is at stake here with what my friends on the Republican side are asking us to do which we must not do. We must not trade these budget cuts for foster care programs and for those of the needy to give the wealthy these tax cuts. Not now. Later when we can afford it, let us do so. But certainly not now. Just think. I am not sure that my friends on the other side of the aisle understand nor the President really understands how our country, most of the majority of the working families, the people in this country that are the backbone of this country, let us just even take our soldiers and our National Guardsmen, our soldiers who are defending us so brilliantly, doing an extraordinary job in Iraq and Afghanistan, many are on their second and third tours. Our military might is being strained. We are not nearly paying our soldiers enough. They are coming from the middle class and they are coming from people like my district. I talk to them every day as I stand here as a Georgian, no State in this Nation has paid the sacrifice in the number of soldiers who have lost their lives in this combat in Iraq as in the State of Georgia. While at the same time in my

State of Georgia, we are faced with the loss of manufacturing jobs. We have just had news of the General Motors plant closing. There is a possibility, strong possibility, before the week is out, we may have news that the Ford Motor plant is closing. Delta Airlines, stretched with its pension, begging and asking this House of Representatives for help to help with their pension so they do not go under. That is where we need help. Katrina victims, nearly 30,000 in my State, many in your State of Arkansas who need help. And you mean to tell me at a time like this when our country is in such great pain, in such need, not only are we going to cut their programs but we are going to take that money and give it to billionaires and millionaires.

Mr. ROSS. I want to thank the gentleman from Georgia. This is exactly why the 37-member-strong fiscally conservative Blue Dog Coalition will take to the floor every Tuesday night to discuss with the Members the debt, the deficit, and to hold this administration and this Republican Congress accountable and also offer up our 12 point reform plan for curing our Nation's addiction to deficit spending.

Point number one, require a balanced budget. We will be talking more about that and the other 11 points next Tuesday night as members of the fiscally conservative Blue Dog Coalition, a group of 37 conservative to moderate Democrats, take to the floor to hold this administration and this Congress accountable for these record deficits and to offer up a solution, including requiring a balanced budget.

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The Blue Dog Coalition, the poster here, today the U.S. national debt, this morning, when we started this hour, it was \$8.121 trillion. In the past 60 minutes, while we have been standing here discussing the crisis at hand in America, the national debt has risen another \$41 million. Another \$41 million in debt has accumulated in this Nation since we began this discussion here on the floor of the U.S. House 60 minutes ago. That is eight more elementary schools that cannot be built tonight in America simply because that money is going to pay interest on the national debt.

This discussion will continue with my colleague and other members of the fiscally conservative Blue Dog Coalition next Tuesday night, and I want to thank you for coming and joining me in this debate about accountability and common sense and fiscal responsibility.

HONORING PETER E. HAAS, SR.

The SPEAKER pro tempore (Mr. MARCHANT). Under a previous order of the House, the gentlewoman from California (Ms. PELOSI) is recognized for 5 minutes.

Ms. PELOSI. Mr. Speaker, I thank the distinguished gentleman from Texas for allowing me to speak out of turn. I appreciate it very much.