

to follow Keynes' directive, which was put money into the hands of people and get them to spend and you'll stimulate the economy, because they believed that our economy was consumer-driven.

Well, Mr. Speaker, every Keynesian experiment that I know of in history, and that includes Roosevelt's New Deal, it includes the Japanese, and it absolutely includes Barack Obama's economic stimulus plan, plans his approach to this.

And by the way, the President, President Obama has told us directly, face-to-face, that he believes that Roosevelt lost his nerve; that he should have spent a lot more money in the thirties; that because he lost his nerve and didn't spend more it brought about a recession within a depression, and unemployment went up because Roosevelt didn't borrow and spend enough government money.

Well, I know what it's like to compete with a government that has more money than the private sector has. I know what it's like to try to hire somebody off of unemployment. I know what it's like to train employees, put them on a benefits plan, and have them finally in a place where they can be a full-time employee that can yield a return on the work that they're doing and you can count on them being to work every day, and look at how their career is laid out working for your company, and have the Federal Government or the State government, or the county government, or even the city government come in and outbid you for those services.

And how do they do that?

Well, they do that by looking around and thinking, here's this trained employee. What's it take to get them? And they will up the ante until they can hire this trained employee, and inevitably that employee will take the offer of the higher paycheck and a benefits package that competes or exceeds the one that you can offer from the private sector and go to work for the government where they don't have the responsibility, where they don't have to work as hard, where the hours are more predictable, where the risk of employment is less and it's more stable.

I recognize that. But better wages and better benefits and all of those comforts that come with a government job work against the private sector.

□ 2020

And so private sector employers then find themselves faced with having to go out and hire more help and train more help and see that those employees roll over into the government employment.

The real downside, though, is this. Where does the government come up with the money to pay more wages and pay better benefits, which they have been increasingly doing over the last generation? By raising taxes. The government raises taxes. It raises taxes to get the revenue to bid against the private sector. And then the government

comes out and makes an offer that says we're going to extend unemployment benefits out to 99 weeks.

Now, it makes it harder yet for the private sector to recover because they're competing with the government's offer, the government's offer to hire employees away or the government's offer to pay people not to work. And where does that money come from? This Federal Government borrows it.

This Federal Government borrows it. It borrows it from the Chinese, borrows it from the Saudis, borrows it from multiple countries around the world. And about 50 percent of it, to be fair, comes from investors within the United States domestic funds that are invested into U.S. Treasury bills, for example.

So a government that believes that it can stimulate an economy by stimulating consumption and completely ignores the part of the equation that requires that there be production for the economy to function. And I would point out that if no one is producing any food, clothing, or shelter, if no one is producing any transportation links out there in the private sector, if no one is making available any of the recreational facilities that will attract those dollars, there's not production. If there's not production, there's no place for anyone to spend their money.

This economy is production-driven, not consumption-driven. And we must, to grow out of this economic situation that we're in, we must produce goods and services that have a marketable valuable, both domestically and abroad. When we do that, and we will eventually do that, this country will grow out of this problem that we are in.

But we must get government off of our back. We must keep a competitive tax rate for the rest of the world. We must reduce our regulations. We must stimulate our entrepreneurs.

And this Republican side of the aisle has now for about 3 years been saying, Where are the jobs? Mr. President, where are the jobs?

Well, I've heard that echo many times in this Chamber and across through the media outlets in the country.

But I would submit that there is something else out there that's required before there will be any jobs, and that's the prospect of profit. Investors, employers, entrepreneurs must have a prospect for profit before they will invest their money or put their time in or take the risk of hiring employees, especially with ever more regulations, especially with ObamaCare pouring down over everything that we do. We are not going to get to a recovery until investors, entrepreneurs, and employers can see an opportunity for profit and begin to realize that profit because you can't write paychecks for employees from deficit spending very long. You must have profit in order to pay employees.

So if there's going to be jobs, and we want Americans to go to work, you must have profit in order to fund the wages. And I don't know why I don't hear that from anybody else. It's as if this word "profit" is a dirty word. No, it is a very good thing. America is a country that has to build itself on profit, on free enterprise, capitalism.

I just took a look in my desk drawer today. There are flash cards in there that were published in 2008. These are the flash cards that enable one to be trained for naturalization here in the United States. So if you want to become an American citizen, and you come to America legally, get yourself a green card, and what you do is you have to take the test. And part of that test is, what's the economic system? Free enterprise capitalism. That's on the test. It's a little head's up, Mr. President. I hope you could pass that test.

Mr. Speaker, I appreciate your attention, and I yield back the balance of my time.

UNITED STATES POSTAL SERVICE

The SPEAKER pro tempore. Under the Speaker's announced policy of January 5, 2011, the gentleman from Oregon (Mr. BLUMENAUER) is recognized for 30 minutes.

Mr. BLUMENAUER. I appreciate the opportunity to be here this evening sharing some observations.

It is, of course, always interesting to have shared the floor with my good friend from Iowa listening to his view of the universe, and even wincing a little bit as I hear him talk about the vilified public employees, where they don't have to work as hard and they get lots more money than the private sector.

It's interesting that most independent studies suggest that for many categories of public employees, they are not above the market. And it's sort of a fantasy land, I think, to have this disdain that was overwhelmingly rejected in Ohio when voters had a chance to put a stamp of approval on the fairly radical agenda of Governor Kasich, our former colleague here in the House of Representatives. Things, by the way, that Kasich and his fellow traveler, Governor Walker in Wisconsin, didn't talk about during the election.

But turning their guns on public employees, voters in Ohio had a chance to give their verdict. And it's interesting that they overwhelmingly repudiated this notion, the lack of value of public employees, the fact that they're slackers, laggards, and that what they do is not worthy of public support.

It wasn't the public health nurse, the firefighter, the teacher, the marine, the person in the Navy that almost wrecked the economy. Many of these people are providing essential services. They are extraordinarily hardworking, and I'm happy to invite my friend from

Iowa to come meet some very hard-working public employees in Iowa and in Portland, Oregon.

I think those generalizations are really very unfortunate. It's feeding what we see in terms of the back-and-forth now. It's actually why there are people who have been motivated by the Occupy Wall Street movement.

But I'm here tonight to deal with one very specific focus that I think needs some more attention, and that has to do with the Postal Service.

You know, this is one of the areas today where people are zeroing in. You will hear some talk of folks that would feel much better if we just privatize the Postal Service, get out of the business. Let the private sector provide this service to American households and commerce and we'll all be better off.

I think it's important for us to take a step back and look at some of the facts and look at some of the consequences.

You know, the United States Postal Service has a long and storied career. It's the second oldest Federal agency. In fact, the predecessor was actually created by the Continental Congress, and Ben Franklin was the Postmaster there just as he was America's first Postmaster.

The Postal Service is one of those activities that maybe some of my colleagues on the floor kind of overlooked when they had this great ceremony of reading the Constitution early in the session, and then proceed to act as though they really aren't paying attention to the Constitution.

Well, article I, section 8, explaining the Congress' powers, one of them specifically is to establish post offices and post roads.

This was one of the unique institutions that helped bring America together, and it is still bringing America together today. It is in fact a vast and sprawling enterprise. It employs more people than the entire auto industry in the United States, what we used to call the Big Three. It's the second largest nonmilitary employer in this country. It has more installations than Wal-Mart, Starbucks, and McDonald's put together, even though a number of them have been closed over the years.

There's a reason that we have made this investment for 235 years. There's a reason that there are hundreds of thousands of dedicated employees. There is a reason why we have the broad sweep, and that is this critical element of holding our country together.

It is a backbone of commerce. We talked today about the economy of the future. E-commerce is a large and growing area. It relies upon the Postal Service for much of its efficiency, and I will talk a little bit about that later.

□ 2030

It's also a tremendous resource for the American public. Before I get back to my home in Portland, I can drop my tax payment in the mail here in Wash-

ington, D.C., for 44 cents, with great confidence that that's going to arrive in a timely fashion and that my bill will be paid.

I think it's interesting to look at the large national direct mail marketing industry that involves advertising and shipping worth billions of dollars a year. Again, it is very important to a large number of Americans. In fact, some of my colleagues who would just turn the Postal Service over to provide this activity for the American public, like to UPS, like to FedEx, actually rely on the Postal Service for that last connection. There is actually an important partnership between these carriers and the Postal Service.

Now, there is no doubt that if we completely privatized, turned it over, got it out of the way that there would be some people who would benefit. People who live in very large cities and people who are big businesses that can negotiate certain types of services may actually see a little bit of rate reduction, and they may be able to tailor the service to their needs. For them, the free market may provide a modest benefit—maybe—but the more important question is:

What would happen for the rest of America, the other 99 percent, particularly rural and small town America?

Does anybody think that you would be able to send a letter from the Florida Keys to Nome, Alaska, for 44 cents if, all of a sudden, government weren't there providing that universal service? A mandate?

I don't think so.

We would also lose the personal touch that is cherished by so many. We are hearing the outcries now. I hear it in Oregon where there are dozens of communities that are being considered to lose their postal service. Every rural and small town American community will feel that bite—higher costs, less service, loss of jobs, loss of community identity, loss of connectivity.

I would urge some of my colleagues to take the time to listen to rural postmasters and letter carriers about the role that they play in these far-flung parts of America. They are an important part of the local economy. It is a place where community members gather. There are opportunities for them to be in touch with loved ones and to be in touch via the magic of e-commerce. They have far more choices and opportunities.

Before we jettison that element, I think it is important to consider how important that is to our national infrastructure—and that's what it is. It is not just, arguably, the largest source of nonmilitary, family-wage jobs in America. I don't think Walmart is necessarily the criterion that most people want for family-wage jobs, for health care and retirement benefits. There was a time when that's what most people in the middle class, if not took for granted, at least aspired to, and most of us growing up in post World War II America saw that. Even people with

limited education who were willing to work hard and be able to follow through, they had that. Well, more and more the norm is that that is unusual.

I hope that we don't reach the point where we lower the standard. Two-thirds of a million family-wage jobs with decent retirement security, with decent benefits, with people who are providing an essential service is important, but it's the infrastructure that ties America together that, I think, is even more important.

Now, there are many things that are involved with the Postal Service that are hidden away that people simply don't pay any attention to.

In part, I guess I would just reference the exemplary service that is provided by most postal employees. In fact, I know a number of postal employees who are highly regarded by the people on their routes—they are recognized on their birthdays; they get Christmas presents; people look forward to them; they rely on the service; they appreciate it. Postal employees are involved with a wide range of activities in terms of helping people with their income tax reforms, food drives, checking on housebound friends and neighbors. When something is amiss, it's often a postal employee who understands it first.

I think it is important that we take a deep breath and look at the service that's provided, that we look at what difference it makes for America, that we look at what it means as an example of where we're going as a country.

I think one of the items that should be acknowledged is that this so-called crisis that we are facing is much like the summer's debt ceiling crisis in that it's manufactured—in the same way that we were always going to pay the debts that the United States had already incurred. But some people were raising doubts. They created a political firestorm. It encouraged the downgrade in the eyes of some, in one rating agency, of the United States debt. We were, in fact, going to pay our bills, but it is possible to manufacture a crisis.

The post office is facing a continuation of a theme that has plagued its existence ever since Washington decided to trap the United States Postal Service between being a business and government control—business demands, government control. Back when the Postal Service ceased being a formal government agency, there were certain conditions that were negotiated because, for years, the post office was a government agency. The public benefit that was recognized was taken into account. There is no question that the post office provided subsidized mail service.

Some people remember the 3-cent stamp. Some people remember—I guess there aren't many people who remember now—that the Postal Service helped launch the aviation industry in this country in 1918 when airmail service began between New York City and Washington, D.C. The post office was a

part of helping create that part of our infrastructure. The post office helped with the development of the trans-continental railroad service that served cities large and small. There was a synergy that was involved there.

Then, in 1970, the Postal Reorganization Act changed the post office from being a department of the Federal Government to being an independent agency. It created a board of governors. It authorized the Postal Service to borrow from the public, and it phased out the government appropriation for operations. By 1982, that public benefit, that national connection, was entirely eliminated. There are also other items that were involved with that negotiation. At the time, there were hundreds of thousands of employees, past and current, who were part of a Federal employee retirement system and its successor system that followed on in the eighties.

□ 2040

Their retirement was a responsibility of the Federal Government. It had been a responsibility for the Federal Government for over 180 years.

Well, there were negotiations at that time about how much the Postal Service would have to pick up in terms of that liability, even though it was a longstanding responsibility of the Federal Government and the way the post office operated. There was a very significant payment that the new post office paid into the old retirement systems by virtue of employees who were Federal employees.

Well, you could make the argument that you want to completely privatize it and cut it loose, but that was a longstanding Federal obligation. A deal was cut; a number was picked. And it was, I think, arguably a pretty generous deal on the part of the Federal Government, on the part of Congress in terms of what they were forcing the post office to pay.

It's not unlike what has happened more recently when the post office has been required—unlike other businesses or government agencies—to prefund health payments for future employees. Tens of billions of dollars have been extracted from the Postal Service and current operations to deal with something that's going to be far in the future, something that, again, as I say, the Federal Government doesn't do; private employers don't do.

You can argue about how everybody would be better off if that happened, but it is an example of creating an artificial crisis. And these tens of billions of dollars that were extracted in the early deal or the tens of billions of dollars that are now flowing because of the 2006 act have destabilized the Postal Service at a time when it's clear that the Postal Service, itself, is stressed.

Revenues have dropped for a variety of reasons. In part, there's E-commerce. There are a number of things that we routinely now email that we

would have mailed even a couple of years ago. And, of course, with the bubble bursting in the economy, its near meltdown, we have seen economic activity decline. So the post office has faced some \$20 billion in lost revenue over the last 4 years; and it's something that, in fact, needs to be addressed.

But we ought to understand what the dynamic is, that by forcing the post office to prefund its future health care payment benefits for the next 75 years in an astonishing 10-year time frame was something that was calculated to stress the Postal Service, even if the economy hadn't collapsed. You know, without the provisions of that 2006 legislation, the Postal Service would be operating at a surplus, even with the challenges today.

Well, there are interesting pieces of legislation that are floating around. I must confess, I am a little partial to looking at some of the proposals that are coming forward that would help take the post office off life support and allow us to move on to addressing these larger issues. There are certain variations that Congress could have dealt with in the past, policy questions. Should it cost the same to mail a letter from here to the White House as it does from Key West to Nome, Alaska? Can we have some variability in pricing? That is a legitimate question. There may be some arguments for doing that.

But the Congress over the years has hamstrung the post office, on one hand arguing that it should not have public support, it should operate like a business; and then turning around and denying the Postal Service the flexibility that private business has in terms of setting rates, differential rates.

In terms of moving into certain product lines, in an enterprise that we value that has this vast infrastructure that is in place, hundreds of thousands of dedicated employees, over 30,000 locations, a tradition of service, and connectivity to America 6 days a week, we would think maybe give them a little opportunity to be creative. Well, what we have found is that there is very little interest in allowing them to actually operate like a business.

I do hope that my colleagues, as they look at the reform proposals that are coming forward and look at whether or not we're going to give them some flexibility to use the resources they already have and not penalize them with draconian and unrealistic requirements, take a look at what these proposals' impact will have on rural and small-town America. You know, not everybody has access to high-speed Internet that make email and reading your favorite magazine online very difficult. There are 26.2 million Americans that still lack access to broadband services, with over three-quarters of those people living in rural areas.

I mentioned that in my State of Oregon, there are over 40 post offices that are listed for possible closure. People

should think about those impacts. Over half of the people in these communities are located more than 10 miles from the next nearest post office; some are as far as 33 miles away. What are the impacts of having customers drive an hour round trip to visit the nearest post office? Is that reasonable? It's a little frustrating for me that, as we have looked at some of these impacts, the attention that is paid to rural and small-town America has not been, I think, given its due.

One of the areas is the proposal of eliminating 6-day service. Let's consider how important Saturday mail delivery is for communication, marketing, and mailers, utilized by millions of citizens across the country, again, especially in rural areas. There are millions of Americans now who are using the Postal Service to deliver prescription medications, a service that relies on moving the mail 6 days a week, not lying dormant in mail processing facilities for 2, 3 days or, depending on how holidays will fall, maybe longer. It will have negative impacts on people being able to sign for packages if they're not home during the week. Think about these details.

Think about what's going to happen if you eliminate Saturday delivery for the post office. Customers are likely to see private carriers charge much higher surcharges to have them deliver that option or drive long distances to pick up their mail after renting out a private post office box for that purpose. Saturday service distinguishes the product line that we allow the Postal Service to have and I think further diminishes their ability to be more self-supporting. Of course, eliminating the 6-day service is going to eliminate 80,000 middle class jobs.

And they do so with some real question about how much of the savings is actually going to occur. The Postal Regulatory Commission was set up as part of this mechanism to establish an independent post office. They do some outstanding work. There are some really bright people. The Regulatory Commission found that the Postal Service has miscalculated the potential savings by about \$1.4 billion a year when they talk about eliminating 6-day service.

□ 2050

They found that the Postal Service additionally failed to account for nearly half a billion in lost revenue that would come from cutting back Saturday service. And as the president of Hallmark noted in a congressional hearing last year, such reductions in service could lead to a death spiral where service reductions and a declining consumer base are self-reinforcing.

The Postal Commission found that eliminating 1 day of mail service would cause 25 percent of all first class and priority mail to be delayed, often by 2 days. This has serious consequences that ought to be, I think, examined carefully before we move forward in this direction.

This is not to suggest, Mr. Speaker, that the post office should be immune. Like any business or government agency, we all, in these difficult times, in changing circumstances, need to consider new ways of doing business. And my conversations with people in the Postal Service, with men and women who work there, postal supervisors, letter carriers, the postmasters, they all have ideas. They all are interested in being part of a solution, and I hope that Congress approaches this in the same fashion.

Last but not least, part of this infrastructure that ties this together needs to be looked at in a broad context. We have all been deeply concerned about national security in the aftermath of 9/11, the anthrax situation we had here and potential pandemics where there are health crises—how are we going to deal with people quickly in times of need to get them information, to check on people, to distribute potential medicines? You know, the Postal Service with two-thirds of a million employees, a nationwide network of over 30 facilities, people who have equipment, who have know-how, knowledge of the community, the same way they help people with the right tax forms or immigration, could also be a resource in time of natural disaster, epidemic, or terrorism.

Let's think big. Let's think fairly. Let's not have an artificial crisis. Let's deal meaningfully with this critical resource that America has developed over the last 235 years, not scapegoat the employees, not scapegoat the management and have Congress be able to have it both ways, saying treat it like a business but not giving them the flexibility. I think it's time to take a deep breath, look at the resource and what it means for America, particularly rural and small town.

Thank you, Mr. Speaker, for the opportunity to share some observations on this important topic, and I yield back the balance of my time.

BALANCED BUDGET AMENDMENT

The SPEAKER pro tempore. Under the Speaker's announced policy of January 5, 2011, the gentleman from Texas (Mr. GOHMERT) is recognized for 30 minutes.

Mr. GOHMERT. Mr. Speaker, we are living in interesting times. As I understand it, that's a bit of a Chinese curse: May you live in interesting times. Well, we're here, not exactly as perhaps the Founders would have hoped, where we would have an executive branch that just declares, without consulting Congress, that he's going to commit American military to an action without knowing really who he's helping in Libya, without knowing exactly what's going to happen once we finish helping them, and without knowing just how much we're going to suffer and just how much our closest allies, like Israel, are going to suffer after this President unilaterally, without con-

sulting Congress, commits our most valuable asset, American lives, not to mention the Treasury and American equipment.

For those who have ears and those who have eyes, they understand that when the President says, Oh, but we're not to worry, eventually we'll turn it over to NATO, and then has a grandiose announcement we're turning it over to NATO, that actually the United States military is 65 percent of NATO's military, because there's supposed to be a regular order to things. And, in fact, Republicans ran last year saying we're going to get back to regular order. One of the things we went through for the preceding 4 years with the Democratic majority and Speaker PELOSI in charge was the Democratic majority came to the House floor over and over with bills that had not gone through committee process, and then they were brought to the floor with no opportunity to make any amendments whatsoever.

Well, one of the things we have done this year, we've had lots of amendments. We've had an incredibly open process on the floor compared to what had happened the preceding 4 years when there were more closed rules than there had been in the history of the country, meaning no input, basically shutting out almost half of America that Republicans represented. It was "our way and no highway." That's not the way regular order was supposed to go.

And we were assured by our own leadership, of course, that, once we had the majority, it was back to regular order. And then over and over, big things had to be dealt with. Not that they couldn't have been foreseen. It could be reasonably foreseen that a continuing resolution was going to have to occur. And lo and behold, it came upon us in the spring as if it had never been contemplated, and we were told there was no time for regular order on these things. We just have to do it. Can't have amendments. Can't cut off funding for ObamaCare even though we cut off funding for some other things that otherwise would be considered legislating; but since it was part of the bill as it came directly from committee, we were told it was okay. So the Rules Committee waived any point of order objections. Now, that's inside baseball; but the bottom line is, even though we have done a better job of allowing amendments here on the floor, we still haven't gotten back to regular order. We have gone from one crisis to another crisis and have had to tell America, gee, this is another crisis so we don't have time to go through regular order.

As I understand it, tomorrow most likely, possibly Friday, we're going to have a balanced budget amendment brought to the floor. It was part of the debt ceiling agreement that was negotiated the end of July, the end of the summer session before the August recess. We were going to have a vote on

a balanced budget amendment, but there was no specification as to what balanced budget amendment it would be.

Well, along the lines of the so-called regular order, we have had a balanced budget amendment. We've had hearings on it. We've had it marked up out of subcommittee, committee, and it came to the full Judiciary Committee and we had a long, protracted markup. In other words, markup is simply the hearing where anybody can bring any amendment and we have debate, full debate, and anybody on the committee who has any amendment they want to bring to that bill, they can bring it to the bill. That's regular order. We had that in committee on the balanced budget amendment. And our good friend from Virginia who has been such a long-suffering valiant warrior for a balanced budget amendment, it was his bill, House Joint Resolution 1.

□ 2100

I had an amendment to that resolution that actually changed the cap on spending from 20 percent of gross domestic product to a cap of 18 percent of the gross domestic product, and that amendment passed.

That's regular order. That's how you do it. Some of us had amendments that didn't get passed, but we still had the chance to bring them to speak on them, debate on them, have every other Member on the committee who wished to speak on every amendment be heard. Those things make for long, drawn-out hearings, and that's what we had. That's called regular order. That's because everybody who is involved can have input. And that's what we had.

After that long, protracted process, we voted out of committee, affirmatively bringing out of committee, voting out of committee with a majority of those on the committee voting for the ultimate product. After that long, arduous debate and voting process, we voted out of committee a balanced budget amendment.

Now I'm given to understand the Rules Committee has taken up a different balanced budget amendment, and we're told we didn't need to go through regular order for that. We're bringing a balanced budget amendment that did not come out of committee and that was not voted out of committee.

And, gee whiz, it reminds me a great deal of the outlandish hearings that the Energy and Commerce Committee had when they came forth with a 1,000-page health care bill in the last Congress. And there was a lot of strong-handedness that brought that bill out of committee, and it was clear from the polls that that was not what America wanted. But, then, by the time Speaker PELOSI, Leader REID down the Hall, and President Obama had their say, that 1,000-page bill that was voted out of committee turned into, ultimately, a 2,000-page bill.

And that came to the floor not under regular order, because it just appeared.