

out what their taxes were, time basically wasted figuring out taxes, \$140 billion. I would argue that that time could be much more productively spent in many other ways.

I had a town meeting, many of the other Members that spoke here this evening mentioned they had town meetings on the weekend. I had a town meeting in my district. I represent the 1st district of Ohio, which is basically most of the city of Cincinnati and some of the western suburban communities. We had about 125 people at the town meeting.

I started out with a question at the beginning: How many people here feel that taxes in this country are relatively low and perhaps we could raise them to balance the budget or do more government programs, whatever? Not one hand went up.

Then I asked, how many people feel that taxes are about right in this country? I expected we might get a few hands. We did not get one hand that said that taxes are anything near what they ought to be. Then I asked, how many people feel that we are overtaxed in this country, we need tax relief? And every single hand in that room went up.

These are just regular citizens from my community, the Cincinnati area, and that is probably true all across this Nation.

We had a couple of groups that were represented there, a group called TEE. We have had some grass roots groups that just formed in the community a few years ago. TEE is one. It is Taxed Enough Already. Brenda Kuhn is the founder of that organization. We have the True Blue Patriots, Pat Cooksey, founder of that organization that was there, and also Tom Brinkman, who is the treasurer of a group called CATS, Citizens Against Taxes and Spending.

So we have actually in my community, in reaction to this high level of taxes, we have actually had regular men and women, average working people form groups to try to petition their government to get off their backs, give them some tax relief. And I think it is time that we did that.

I want to thank all the Members of the House who came here this evening to discuss and participate in this topic which could not be more timely about tax relief. I would like to say finally that I think it is time that we work together, Democrats and Republicans, and, yes, the President of the United States, we should all work together to give tax relief to the American people. It is time we get the job done. Let us get working on it. Let us relieve the American people of the huge tax burden that this government has placed on their backs.

Thank you very much for participating this evening.

TAXES, EXPENDITURES, AND BUDGETS

The SPEAKER pro tempore (Mr. WHITE). Under the Speaker's an-

nounced policy of May 12, 1995, the gentleman from New York [Mr. OWENS] is recognized for 60 minutes as the designee of the minority leader.

Mr. OWENS. Mr. Speaker, today I would like to continue the discussion about taxes, let us talk about taxes and expenditures and budgets. But before we do that, there were some tributes by my colleagues to Ron Brown, and I would like to add my tribute to that number. And I think that the chairman of the Congressional Black Caucus, the gentleman from New Jersey [Mr. PAYNE], is here for that purpose, too.

I yield to the gentleman from Virginia [Mr. PAYNE] for his statement on Ron Brown, and then I will follow with my statement on Ron Brown and then go on with the rest of the discussion.

TRIBUTE TO RON BROWN

Mr. PAYNE of New Jersey. Mr. Speaker, I thank the gentleman for yielding to me at this time.

Let me say to Mr. OWENS from New York that following your time, we are going to have members of the caucus come and make expressions. And so what I will do at this time is to yield back until the gentleman completes his special order. And then I will return back to the podium.

I thank the gentleman from New York for yielding to me at this time.

Mr. OWENS. Mr. Speaker, I would like to add my voice to the numerous voices that have been raised to pay tribute to Ron Brown. Ron Brown, the mentor for all public servants, he could teach us all a great deal.

I will enter my statement in its entirety into the RECORD, but I would like to read the statement and comment on it.

Ron Brown was a renaissance politician. He was a jack-of-all-trades who mastered all the trades in politics. He was a mentor for seasoned professional politicians, and he was qualified to tutor most of us.

Ron used his considerable influence and charm to become an extraordinary fund raiser for the Democratic Party. From the complex job of raising money to the details of election day engineering, Ron performed with great enthusiasm.

Ron Brown was the kind of person who could raise funds, and I admire him most for that. He probably had a problem like everybody else but he plunged into the process of raising funds and did a great job of that.

There are some people who do fundraising very well, but they are not good at strategy. They are not good at tactics. They do not have certain other qualities. But in addition to being able to raise funds, which we all admired him for, Ron Brown had the talents that went across the entire spectrum in terms of skills that are needed in public life.

I first met Ron Brown in Chicago while campaigning for Harold Washington for mayor of Chicago. Former majority whip Bill Gray, Ron, and I were

in a car on a tour through the public housing projects on Chicago's south side. We had been assigned that area to campaign. At that time Ron was working with a well-known, prestigious, and powerful law firm in Washington.

□ 1900

However, on that day it was simply Ron, the lawyer, friend, campaigning for a fellow democrat. We went into huge, tall, cold, concrete buildings and walked on floors which seemed to be completely out of this world. The deterioration and the garbage inside the halls were unbelievable, even to a poor boy like me, whose father has never earned more than the minimum wage. I had lived in some of the poorest neighborhoods in Memphis, TN, and I had worked in some of the poorest neighborhoods in New York, but never had I seen such despair. The only glimmer of light I saw in those high-rise urban tunnels that day were the Harold Washington posters that the residents waved at us when they saw our familiar signs.

We had connected at that point with the most depressed among us.

As my eyes met Ron's eyes, he broke into his signature smile. This is what politics has got to be all about, he said, as we plunged into the crowd of outstretched hands and marched through the halls reminding folks that tomorrow was the day to go out and elect the first African-American mayor of Chicago.

Ron Brown was the unifying driving force behind the most successful and conflict-free convention the Democrats have had in nearly two decades. Ron was a star who kept his poise. He kept peace among the many party factions and made the Democratic National Committee an effective force to be reckoned with in politics.

Ron Brown was a masterful strategist who began his tenure as party chairman with several special election victories despite great obstacles. He was a great communicator, and he was a great cheerleader who also understood the nuts and bolts of winning campaigns.

Seldom in America does one man so gracefully transcend the racial chasm as Ron Brown did, and in his journey he deeply touched the heart and soul of a Nation.

As our Secretary of Commerce, he was our corporate ambassador to the world. As the chairman of the splintered, fractured Democratic Party, he was the glue that held it together, and in so doing he delivered the White House and became the most beloved chairman in history.

Ron Brown was undaunted and unfazed by challenges. Being a first was not unusual for him. He was the first African-American in his college fraternity, the first African-American counsel for the Senate Judiciary Committee, and the list goes on and on.

Ron was a trailblazer and an eternal optimist. He saw no mountain that

could not be climbed or moved or conquered.

The nation has lost a great leader and statesman. I join Ron's many colleagues and friends, not in mourning his death, but in celebrating his life, his accomplishments, his style and spirit. Ron Brown will be missed, but Ron Brown will never be forgotten.

Ron Brown was an ambassador for corporate America. Ron Brown was about the business of expanding the markets of America across the globe. Ron Brown understood that a prosperous America was an America that would generate the revenues needed to do the things that had to be done in our country for all Americans.

At this point in our year, April 16, it is a day after tax day. April 15 is a dreaded day by most Americans. My colleagues who preceded me in this special order before talked about taxes and the need to lower taxes for American families, and although my colleagues who have spoken before were all Republicans, I want to go on record and have the whole world hear that I agree 100 percent with my Republican colleagues. We need to lower taxes for families and individuals in the United States. We need to lower taxes, and I have talked about that on many occasions here.

The problem is that we are taxing families and individuals too harshly. Families and individuals are paying too much because corporations are paying too little.

In 1943, the corporations were paying almost 40 percent of the total income tax burden in this country, 27 percent by individuals and families, and almost 40 percent by corporations in 1943.

By 1983, the amount of money being paid by corporations under Ronald Reagan's administration fell as low as 4 percent, 4 percent, while individual taxes went up to 48 percent. The share of income taxes paid by families and individuals went as high as 48 percent, while the share for corporations went down as low as 4 percent in 1983.

Today we still have a gross inequity. The share of taxes paid by corporations, income taxes, is only 11.4 percent, while the share paid by individuals and families is four times that amount, 44 percent.

So I agree with my Republican colleagues. I only regret that they spent so much time talking without confronting a few very basic truths.

The basic truth that they refuse to come to grips with is that the corporations who represent the energies in America that are making the greatest amount of money; prosperity has been good to corporations because corporations have known how to take advantage of technological progress. They have taken advantage of all the research and development that has gone forth under the aegis of the taxpayers.

Taxpayers are the ones who have paid for the research and development for computers for radar. Taxpayers are the ones who have led to many who fi-

nance transistor research and miniaturization, telecommunications of all kinds. Taxpayers of America have been the driving force behind this. Corporations have known how to organize, take advantage of this and produce products.

So our economy is booming on Wall Street, and corporations are making a great deal of money. And nobody regrets that at all. We applaud that. The corporations should be paying a greater share of the taxes, and, as we move past income tax day, April 15, Americans should think very seriously about the inequities, the imbalance in the share of taxes paid by corporations versus individuals.

Yes, we need a tax cut.

My colleagues before who were speaking said they spoke to crowds and asked people do you think you are paying enough taxes, and nobody raised their hands and said, yes, I am paying enough. I would agree. I do not—yes, I am paying too much. I mean do you think you pay too much tax? Everybody raise their hand and say, yes, I pay too much. I would agree I am paying too much. Most families and individuals are paying too much, in my opinion.

In order to raise the revenue needed to run this country, we need to have a more equal balance in terms of corporations paying their fair share. We need to have some of the corporate welfare programs taken away. The other side of it is reducing the expenditures.

You know, Federal taxes also, we must understand, spread the wealth in America, and I think my colleagues on the other side who talk at length about taxes did not bother to mention the fact that Federal taxation polices represent some of the greatest generosity in America. Some of the spirit of being my brother's keeper, especially in the case of the east coast, especially even more so in the case of New Yorkers on the east coast; you know, the tradition has been that the wealth first accumulated on the east coast, and Franklin Roosevelt and his tax policies were such that he increased the taxes of people who had the money, most of them residing on the east coast and the Rust Belt States, they call them now, industrialized States. The money was there, and by initiating Federal programs like the Social Security Program and other Federal programs, Rural Electrification Program and a number of other programs that had to be paid for, he can only pay for them with taxes raised on the east coast and in the industrial States where they had the money, and that tradition has continued until today.

New York was one of the States that had to pay out large amounts of money in order to help take care of the needs of the rest of the country, and so it is even until now on many occasions I have stood here and talked about the fact that New York for the last 20 years, as a State, has paid into the Federal Treasury more money than it

has received back from the Federal Government in terms of aid.

Federal aid going to New York has always been lower than it has been, than the amount of money that New Yorkers have paid in taxes. New York State in 1994 paid \$18.9 billion more into the Federal Treasury than they got back in terms of Federal aid. Before that, in 1993 New York paid \$23 billion more in Federal taxes than New York State got back in Federal aid.

Now, many people have asked me, well, you know, what are you talking about, where do you get these outrageous figures, where they come from, and I have quoted before, and I just brought back the booklet today, a study that is done every year. It is called "The Federal Budget and the States," and this study is done every year. It documents everything that I have said in terms of some States are donor States and some States are recipient States. The Federal budgets in the fiscal year 1994 is what I am holding in my hand.

Its introduction is by DANIEL PATRICK MOYNIHAN because Senator DANIEL PATRICK MOYNIHAN of the State of New York has pioneered and highlighted these great inequities for many years.

This study, this report, was done by Monica E. Fryer and Herman B. Leonard, and it is published by the Taubman Center for State and Local Government at the Kennedy School of Government at Harvard University.

So the study is available for anybody who wants to see it. There are many fascinating facts beyond the fact that New York State consistently has paid more in taxes than it has received back. They have looked at aid in terms of salaries of military personnel who live in a given State, they looked at aid in terms of Medicaid and Medicare, dollars that come from the Federal Government; they looked at aid in terms of programs for job training; title I; all the aid lumped together. And they can tell you how much each State received back from the Federal Government versus what the State paid in.

So New York is a big donor State. It has been that way for a long time, and I think Franklin Roosevelt clearly understood that, that Federal taxes spread the wealth, and they have spread it across to places that most of the States in the South. Practically all of the States in the South are recipient States, they get more from the Federal Government than they give back to the Federal Government.

Mississippi receives \$6 billion more from the Federal Government than Mississippi pays in taxes to the Federal Government. And some of the gentleman who were speaking before had better beware; if you remove the role of the Federal Government in collecting taxes and you want to leave more of it to the States, the States who will lose the most are States in the South because the States in the South combined receive \$65 billion more from the

Federal Government than they pay into the Federal Government. And I will repeat that because I do not want the figure to get lost: \$65 billion more is received from the Federal Government than the States of the South collectively pay into the Federal Government.

□ 1915

Georgia receives \$2 billion more from the Federal Government than Georgia pays into the Federal Government in taxes. The county in the United States which receives the highest amount of money per capita is the county represented by the Speaker of the House. That county receives more money per capita than any other county in the country in terms of Federal aid. So we should beware, and when we talk about taxes let us talk about all the facts. Let us talk about the most significant facts.

Yes, individuals and families are paying too much in taxes. Yes, the corporate world is not paying their fair share. They are paying too little. They are making the money, but they are paying less.

If we want a tax cut, I am all in favor of a tax cut. I stand here as an acknowledged, unashamed, proud liberal, and I agree with my Republican colleagues on the other side who said that families are being taxed too much. We need a tax cut. It may begin with where President Clinton has begun in terms of a tax cut for education, to aid with tuition, a tax cut for families in terms of creating a situation with families with direct benefits, so much per child, \$500. There is agreement between Republicans and Democrats on that.

I think as we do it, we should look at the situation. I would understand that a tax cut should not mean that we end up cutting aid to education or cutting Medicaid. A tax cut for individuals and families means we should balance off the situation and make certain that where the money is needed, it goes there.

We cannot responsibly deal with tax cuts unless we deal with the expenditure side, what is happening with respect to the budget. The budget and the waste in the budget must be dealt with also, and I have a great disagreement with my colleagues on the other side about where you ought to begin dealing with the waste. The waste is not in aid to education, the waste is not in Medicaid, although there is waste and corruption in health care programs. The real waste is in other places. I have cited some of that waste before.

I have gotten some questions over the recess, and people said, "How dare you say that the CIA has \$2 billion that they did not know they had and \$2 billion that are just sitting there while the deficit grows and programs are being cut"? And my answer was, "Yes, they probably have more than \$2 billion, because the public figure that has been stated, not confirmed by the CIA

but not denied by the CIA, has been \$2 billion. They probably have more. It was in the coffers over there, petty cash, slush fund, whatever you want to call it. Folks have challenged that. I have said I am only quoting from the New York Times and the Washington Post.

There were several articles that appeared on the pages of the New York Times and the Washington Post. Many of my friends did not see them. Even some of my colleagues here in Congress, when I asked them to sign a letter to the President asking him to use that \$2 billion to restore the funding for title I and for Head Start and for summer youth employment, they questioned me, "Where did you get your figures from?" I told them, off the front pages of the New York Times and the Washington Post.

One article that appeared talked about the President firing two people who had been considered responsible for this. This was in February, on February 27, 1996:

The top two managers of the National Reconnaissance Office, a secret agency that builds satellites, were dismissed today after losing track of more than \$2 billion in classified money.

It goes on to talk about how no audit had been done for a long time, and this agency had accumulated these funds. And \$2 billion, you know, if there is \$2 billion there, then the question is how many other entities, sacred cows in the government, also are sitting on funds? That popped into my head, how many others.

And then, lo and behold, just a few weeks ago a report came out which said that the Federal Reserve, the Federal Reserve that is responsible for our economy, who are responsible for advising us how to run the economy most effectively and efficiently, the Federal Reserve has \$3.7 billion, \$3.7 billion in its slush fund.

An audit by the GAO shows that the Federal Reserve has \$3.7 billion in what they call the surplus account. A surplus account. Now, if that \$3.7 billion was returned to the Treasury, think of how much interest we would not have to be paying on the debt. The interest on \$3.7 billion worth of money would be relieved and we would not have to pay that. It could reduce the deficit by \$3.7 billion, but it is sitting in the Federal Reserve coffers. It is called a surplus account. The General Accounting Office makes this statement:

Although the surplus account is intended to absorb possible losses, the Federal Reserve has recorded substantial net profits for 79 consecutive years.

Do Members hear what I am saying? The surplus account is kept, the Federal Reserve says, because they may have losses in their operation. It is a self-sustaining operation. They loan money, they charge interest for that, they charge money for services. They might lose money 1 year, so they say they keep the \$3.7 billion around because they might lose money and they

need to make that up. It is a rainy day fund for the Federal Reserve.

But they have not lost any money for 79 consecutive years. "Even though the likelihood of the system's incurring losses, exceeding its revenues, appears remote," I am reading from the GAO report, "the total surplus increased 79 percent in the 1988 to 1994 period, rising from \$2.1 billion to \$3.7 billion."

The Federal Reserve has \$3.7 billion lying around, doing nothing, as a rainy day fund. So yes, you are paying too much taxes. You are paying too much taxes, because we do not have corporations that have carried their fair share. You also pay too much taxes because we have waste in government.

When the President says and all of the leadership says, and I agree, that the era of big government is over, we have different meanings. The era of big government ought to be over. I think the government should be downsized, but the commitments of the government maybe should be increased in certain areas. But in the process of downsizing, how do you not see \$3.7 billion in the Federal Reserve?

Why is the search for funds only conducted in job training programs? They go looking for programs that do not operate effectively and efficiently. Why do they go looking there? Why do they go looking in the AFDC programs, Aid to Families with Dependent Children? Why do they go looking in the WIC programs? Why do they always go looking in the programs where the poorest people are served? Why do they go looking in the Medicaid program? Why do you not look first at the CIA? Why do you not look at the Federal Reserve?

The head of the Federal Reserve, Mr. Greenspan, was up for reconfirmation. He has already been there for a long time, so he certainly would be derelict if he did not know about the \$3.7 billion that the Federal Reserve has lying around. If he did know, then he ought to answer some questions about, "Why is this sitting in your coffers as a rainy day fund when it could reduce the deficit?" But I do not think he was asked those questions because he is an icon of some kind, and he is not a welfare mother. He is not on WIC. We do not treat all people equal in this Government.

It is tax time, Mr. Speaker. It is tax time. We ought to all be concerned with taxes. I hope that the result of our concern with taxes will mean that we will insist on an overhaul and a total reform of our tax system. In the past I have talked about the fact that progressives and liberals have ignored the revenue side too much. We have dealt with expenditures, meeting the needs of people, meeting the needs of the environment, doing what has to be done to make certain that all Americans share in the prosperity of America. All of that is highly desirable, but we have not looked at taxation enough. We have not looked at revenue enough. Revenue is everybody's business.

I propose a Commission on revenue reforms. We ought to take a look at

the proposals for flat taxes. We ought to take a look at other proposals that have been offered; a consumption tax, a value-added tax. We ought to take a look at tax possibilities that exist in terms of taxing the sale of the spectrum, taxing the air above us that belongs to all the people. All of these things should be examined.

This past weekend at the Omni Shoreham Hotel, a conference is being held called a Summit on the Politics of Meaning. I spent a few hours of the last 3 days at this summit. I want to congratulate the organizers of that summit, particularly Michael Lerner, who is the editor of *Tikkun* magazine.

I would like to congratulate him for being the guiding light and the spearhead for this organization of this summit, because it brings together people from a lot of different areas who are concerned about values, and they are concerned about values and how those values and how love, compassion, can be applied to public policies.

They are concerned about public policies without being necessarily concerned about which person implements those policies. They do not want to get into the dirty business, in quotas, they call it a dirty business, of electoral politics, endorsing candidates, et cetera. I do not think politics is dirty. I think electoral politics is very necessary. I think more good people need to get into electoral politics.

But I agree that it is very useful to have groups and individuals who are concerned primarily about issues, and this particular summit on the politics of meaning, which was called by Michael Lerner, the editor of *Tikkun*, focused on how do you apply a concern for your brother, for your neighbors, in an effective manner in the present situation, when marketplace values dominate, and people talk about family values, but they really do not come to grips with the fact that too many times, the market values dominate our thinking.

How do you apply compassion, how do you apply love, how do you apply concern for your fellow human being if there is a health care industrial complex taking over health care services, and if private health care providers, drug companies and insurance companies, are buying up health maintenance organizations, and health maintenance organizations are set up to make a profit, in addition to providing a service? It has been hard enough for health care providers to just provide a service, but now, in addition to delivering a service, they have to make a profit.

It may be good, it may be an improvement, but we are moving so rapidly in this area that it is clear that a government health care industrial complex is about to take over, and it is not moving in a way which gives anybody else an opportunity to have developed this new emerging health care system for all the people. So how do we apply love and compassion to the problem that is confronting us?

I want to just read part of Michael Lerner's call for people to come and join this summit on the politics of meaning. They brought together people from all walks of life, they brought together people from all religions. It is very interesting to see people of the Jewish religion with people who are in every denomination of the Christian religion: Unitarian Universalists, Baptists, Methodists, Catholics. I heard all kinds of people speak. I heard a lesbian minister speak.

They were all there asserting the fact that human beings have hearts, and human beings, at their very best, are capable of great compassion, and human beings need to return from the values of the marketplace and assert those values of love and compassion in their daily lives and in public policy development. It was quite a summit. It is closing out tonight.

I just want to read a few sections from the call for the summit, in tribute to what Michael Lerner and his colleagues have done. I am quoting Michael Lerner:

Like many people, I am distressed at the deep ethical and spiritual crisis facing this country. The attempts to dismantle social support for the poor without setting up anything else in its place is only the latest stage of the continued erosion of fundamental human values.

It is not clear that the Democrats have adequately grasped why people have turned to the right. In addition to my normal job as editor of *Tikkun Magazine*, I am a psychotherapist, and for 10 years I did extensive research leading 12-week groups for middle-income working class people, focused in part on why they were turning to the Right. What I found was this. People turn to the Right because it speaks, although in a distorted way, to the hunger people have for meaning and higher purpose.

The fundamental problem with liberal and progressive forces is that they don't understand this hunger for meaning, and so they come up with programs and policies which are narrowly technocratic and don't speak to the soul.

I am quoting from Michael Lerner, the convener of the summit on the politics of meaning.

I continue to quote:

Faced with a society whose dominant ethos is selfishness and cynicism, many people conclude that the best way to protect themselves is to narrow their "circles of caring" to themselves and their immediate families and narrowly-defined communities. My research suggested that many people actually wish for a very different kind of society, one based on Biblical values of love, justice, and mutual recognition, the ability to see others, and be seen oneself, as an embodiment of the image of God. Yet everyday in the world of work people are rewarded for precisely the opposite, the ability to see others as objects, the supposed commonsense that "looking out for No. 1" is the only reasonably way to live, and the ethos of selfishness, materialism, and cynicism.

Continuing to quote Michael Lerner:

Ironically, it is this very ethos, learned in the world of work, which becomes the central source of people's unhappiness in personal life. Surrounded by others who live by that very same ethos, people increasingly come to feel that everyone is only out for

themselves, and that they had better do the same. A "rip-off mentality" begins to pervade the social order, and people increasingly come to feel frightened, alone, and cynical about others. No wonder that it becomes hard to hear those who call upon them to "love thy neighbor," when doing so seems so counterintuitive to the "real world."

There is no way to change this without a frontal assault on the ethos of selfishness, materialism, and cynicism in our society, and that is precisely what the politics of meaning advocated by the Foundation for Ethics and Meaning attempts to do. The goal of the politics of meaning is to "switch the bottom line" in American society away from measuring productivity or efficiency primarily in terms of the degree to which institutions maximize wealth or power to a new criteria: the degree to which an institution helps to foster ethically, spiritually, and ecologically sensitive human beings capable of sustaining long-term committed loving relationships.

I continue to quote Michael Lerner:

This may all sound very visionary and far-off, but in fact it is actually far more practical short-term politics than the various attempts to protect this or that item in the budget at a time when the dominant climate is calling for dramatic budget and tax reductions. It is far more likely that large sections of the American public will respond to an alternative vision to the conservative one that is increasingly dominating both parties than to a nit-picking approach that accepts the dominant assumptions and seeks to minimize how it is implemented.

It is not that these details are totally unimportant, and the response of many Americans to Clinton's willingness to stand up to the Republicans gives us some indication of the power his presidency might have had had he been willing to fight for something at other points along the way. But the basic problem is that Clinton is not putting forward a different set of principles, and eventually most people get weary of staying tuned to the details of implementation of assumptions that both sides seem to share.

"The first stage" of a strategy to change this "is to convene a gathering of people who may be interested in becoming the core group for a politics of meaning strategy. This is the 'ground floor' meeting. We are calling it the national Summit on Ethics and Meaning at the Omni Shoreham Hotel in Washington, D.C. April 14-16, 1996. This summit will bring together a wide variety of people who wish to challenge the materialism and selfishness in American society, but who have previously not thought of themselves as part of a political movement to do so. The Summit will serve a dual function. On the one hand, it will be an opportunity to explore the ideas of a politics of meaning in some detail," to refine the politics of meaning ideas," and to refine the strategy around them.

I end the quotation from the call put out by Michael Lerner for the Politics of Meaning Summit, and I mentioned that because I found the summit very inspiring. They expected 600 people to show up, to turn out for the summit and they got 1800 instead of 600. There is a hunger for meaning and there is a hunger for values. There is a hunger for ways to express compassion and love in the making of public policies, and I think that the summit on the Politics of Meaning is a great beginning in the movement in this direction.

I say all of this because in the present budget battles, we talk about

taxes and I said before when you talk about taxes and the need for taxes, taxes are kind of a necessary evil. If you are going to deal with a fairer taxation system, then we should get on with the business of trying to make certain that corporations pay their fair share, because corporations are entities that are now making large amounts of money and they can afford to pay that share.

In the absence of fairness, in the absence of an approach which reaches out to those who can afford to produce the revenue and get the adequate amounts of revenue, we have a situation where an attempt is being made to make up for what the corporations are not paying, their fair share, by cutting the expenditures for programs that help the people who need the most help. This has produced a crisis in this country. There is a crisis in neighborhoods like the neighborhoods that I represent because people are very much concerned and they are very much appropriately alarmed by the speed at which certain programs that have existed for the last 30 years or 40 years are being taken away. Medicare and Medicaid are merely 30 years old. Medicaid and Medicare are now being threatened. The entitlement for Medicaid is under a great threat because the governors of all the States, both Democratic governors and Republican governors met and they decided that the entitlement for Medicaid should be removed, that the Federal Government should no longer assume the responsibility for providing health care to everybody who is poor enough to meet a means test which says that they are eligible to have the health care that they need when they meet it. The States will not assume that responsibility of providing health care to everybody who needs it when they need it. The States will only spend as much as they have. They want a block grant. They want the Federal Government to give them the money in a block grant and they will decide how to spend the money, they will decide who is eligible for it, and when the money runs out, they have no vehicle. Most States operate on balanced budgets. They must not spend any more than their revenues take in. When they run out of money, then if there are any sick people or any people who need to go into nursing homes because two-thirds of the money that Medicaid spends provides nursing homes for people who cannot afford their own nursing home expenses. Many people who are middle class and they are on Medicare, when they get very ill and they are forced to spend large amounts of money beyond what their insurance provides, they end up being poor by the time they are required to go into a nursing home because their health has degenerated. When they are required to go into nursing homes, they have no more funds, so it is Medicaid that picks up the cost. Two-thirds of the money spent by Medicaid goes to pay for nursing homes for elderly people.

So we have a situation where people are alarmed because that is threatened. Medicaid has been here now for 30 years. Medicaid is the only step we have taken in this country toward universal health care. All of the other industrialized nations except South Africa have some form of universal health care, health care for every citizen who needs it. But we do not have it. Medicaid represented a step in that direction. If they take away the entitlement for Medicaid, which is very much a possibility, right now here in Washington, if they take away that entitlement, we are in serious trouble. We have not only lost a service that is a vital need for the survival of many Americans, we have also taken an ideological step backwards. We will never have universal health care if we allow that retreat to take place. So people are concerned that this crisis has been created and we are acting as if the country is going to go broke if we do not have drastic cuts in public housing money, drastic cuts in education, drastic cuts in Medicaid, Medicare, drastic cuts in job training programs.

That is what the Republican majority has done in the last 15 months. They have generated an atmosphere of crisis. That atmosphere of crisis is being used as an excuse to cut the safety net programs that have been built up since World War II and really started before that with President Roosevelt's New Deal. They are going to take all that away. At the same time they are going to spend large amounts of money on new fighter plane systems, on a new antimissile system and continue to spend large amounts of money on the defense budget. All of this is a crisis that they have created and it is very interesting to note some of the effects of that crisis. Some of the effects is that the people in our communities instead of understanding the need to rise up and fight this kind of artificially created crisis and to fight the people who have created the crisis, they are turning on themselves. In health care we have situations where hospitals in New York City are being proposed to be sold. Some are being proposed for leasing. One hospital that is a State institution primarily, Kings Borough Hospital in my district, has been told they will shut down by August. They are going to shut the hospital down, which is primarily a hospital for the mentally ill. In this process, we find some other hospitals in the area nearby willing to speed up the process of closing their fellow institution by agreeing to take over various parts of their activities, even when it is not feasible.

Brooklyn is a community with 2.5 million people. Brooklyn if it were a city would be the sixth or seventh largest city in the country. But in Brooklyn there is one mental hospital of this kind. So 2.5 million people need that hospital. We do not need to be told we can travel somewhere else. We have the population concentration. We need it.

The institution should not help the Republican governor balance his budget on the backs of the mentally ill by taking parts of the functions of this hospital.

So I have asked all the hospitals to take an anticannibalism pledge, don't cannibalize the institution, and I have asked other hospitals in other parts of the city, as we fight to maintain decent health care in the communities that need health care most, let us not cooperate with the mayor, the Republican mayor who wants to sell hospitals and lease hospitals, let us not cooperate by cannibalizing each other. Hospitals should not cannibalize each other. They should take a pledge that New York City, with 8 million people, needs all of its hospitals. If it does not need all of the beds, then we do not have to have all the beds. We can restructure health care in various ways. But we basically need all the hospitals. And we can provide health care for people who are from outside the city. An accumulation of the best experts in the medical fields has taken place in that city and health care should be seen as an industry as well as a service, and that industry can serve areas from outside the city as well as inside the city. So the cannibalism should not take place. I caution every American who is wary and concerned and even panicked by the budget cuts that have been generated by the Republican majority not to participate in cannibalization. I have seen examples of it in the area of education recently.

There are people who want to see special education programs closed down or drastically reduced because they want more money for the regular education program. Well, the regular education programs and the people who advocate them, as we all do, the regular education programs should confront the people who have created the crisis. We do not need cuts in title I. We do not need cuts in the teacher training programs. We do not need those cuts. We need instead the kinds of increases for education that President Clinton has proposed.

Education is ranked very high in the polls by Americans every time polls are taken. So why are we cutting back on the education budget and why are people in the education community willing to engage in cannibalism? Don't try to eat the special education programs. Let us fight for more funds, both for special education programs and for title I programs and for any other programs that are needed. Let us fight the State governments, let us fight the city governments, let us fight the Federal Government to get the fair share of the allocated dollars for education.

The cannibalization of special education is under way now. There is a bill that is being introduced by the Republican majority in the community that I serve on, and they are trying to take advantage of the fact that shortsighted people out there are moving to try to

rush into a shutdown of special education programs because they cost more than other education programs do and my answer to them is let us all put our heads together with reason and some hard examination and scrutiny, and let us try to come up with the best possible program we can come up with. Let us make cuts of waste where it exists.

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Let us not cannibalize education programs. Let us not destroy good special education programs. Across the country, I hope that the people in the community of people with disabilities understand the kind of hostility that has been generated by this Republican majority here in the House of Representatives toward all programs for people with disabilities. What is happening to the special education programs right now and the legislation is indicative of the kind of hostility that is shown by the Republican majority. We have to meet that hostility with a demand that adequate amounts of money be made available for all education.

Let us celebrate today, the fact that according to reports that have appeared in a number of places, it has not been voted on, on the floor yet, but the cuts in title I are no more. Title I will not be cut in this budget, I am told. This year's budget will be at the same level as last year's budget. Let us celebrate, all of the people out there who have been so anguished by the assault on education programs, know that we have fought the good fight.

We have kept our promise and stopped the extremists from rolling over us and the extremists have decided to retreat. There will be no cut in title I. Title I will be kept at the same level as last year. There will be no cut in Head Start. Let us celebrate. Let us celebrate the fact that we have kept the faith. We have stopped the extremists.

There will be no cut in Head Start in this annual budget. Let us celebrate the fact that the money is now almost assured for the Summer Youth Employment Program. It is less than it should be, but it is about almost at the same level as last year, last summer. Let us celebrate, a few weeks ago, there was zero in the budget and no talk of remedying that problem. So let us celebrate what the great fight has proposed. Let us celebrate the fact that by fighting, by standing up, Democrats have kept their promise of stopping the extremism.

Extremism, the manufactured crisis, the artificial crisis, the unreal crisis created by an extreme majority in this Congress, has not prevailed in the area of education. So let there be no more cannibalization. Let all the people in the education world, the superintendents, the State education commissioners, the principals, let us stop sharpening our knives for the funds that may be available if drastic cuts are made in special education pro-

grams. We do not need to do things which we would be ashamed of in a few years. We do not need the atrocities of throwing children out of classes because of the fact that they are disruptive, we have not been able to deal with it. But we mainly want to use that as an excuse to cut down on the number of children in special education programs.

We do not want to abandon the free-education doctrine that has prevailed for so many years. We do not want to abandon the right of parents to follow a due process procedure and to have legal assistance in doing that in going through that process. We do not want to cannibalize special education programs any more than we want to watch health care programs cannibalized also.

On May 19, in New York City, we have declared that it is Hospital Support Sunday, Sunday, May 19. On that Sunday, we are trying to bring out as many people as possible to show that everybody cares about health care. It is not just the unions who have people who work in the hospitals. It is not only the doctors and the professional staff who have a vested interest in the hospitals. But it is everybody. It is the patients, it is the community, the people surrounding the hospital. It is everybody who cares about hospitals in New York City. They want to come out.

Mr. Speaker, we want to have a set of demands established. The No. 1 demand is that every process of change in the hospital system in New York, whether it involves HMO's or hospitals or clinics, all of those things should be frozen and let the people come forward to participate. We want a citizens' committee instead of cannibalization to make up for what is being cut. We want the people to participate in the restructuring and in the fight to get additional funds where they are needed.

New York is often criticized for spending more money on Medicare and Medicaid than other States. But that same New York, as said before, gives to the Federal Government \$1.9 billion more than it gets back. In 1994, we gave \$1.9 billion more than we got back. In 1993, we gave \$23 billion more in taxes to the Federal Government than we got back.

If we were to let New York have its own money, leave the taxes that we pay to the Federal Government in New York, we could have decent health care. We could have lots of other programs. We could have adequate funding for our colleges and our universities, adequate funding for our schools. We can do a lot with \$1.9 billion that does not go somewhere else across the Nation.

That generosity once was a proud gesture for New Yorkers. But we have been spat upon so much and criticized so much, there is so much ingratitude throughout the Nation, especially in the recipient States, that we do not want to continue that any longer. We

would like to find a way to have revenue justice.

Let the revenues come back. Let us have some kind of formula where States that year after year pay more into the Federal coffers in taxes than they get back would receive some kind of rebate to go back into their own treasury to meet the needs of their own people. We will not have people so distressed and so distraught that they are stampeded into cannibalizing institutions and taking valuable resources from one much-needed institution in order to put it over here to another.

Mr. Speaker, teachers, principals, commissioners, administrators should not indulge in that in education. Doctors, hospital administrators should not indulge in that kind of practice in the area of health care. We do not need to eat each other. Instead we should fight for a fair share of the resources that are available, and we should fight to make more resources available by having the corporations pay their fair share of the taxes.

We started the discussion with taxes. Let us close it out with a discussion of taxes. I have an article here, April 15, 1996, Mr. Robert D. Novak. I do not usually quote Mr. Novak. The article is entitled GOP Deficit Trap. In this article, Mr. Novak says that it appears from reports from the Congressional Budget Office that we will have a balanced budget by the year 2002, without all of these drastic cuts that are being made and proposed by the Republican majority. It appears that the deficit can be erased without one dime from entitlements. Members do not have to take one dime from social security, Medicare and Medicaid alike.

That is what Mr. Robert D. Novak said, who is not a proud liberal on my end of the spectrum. He is on the other end of the spectrum. And Mr. Novak goes on to talk about what he calls a GOP deficit trap. He says the GOP has been, unfortunately, obsessed with ending the deficit and balancing the budget. They made a great mistake. We are going to be able to balance the budget and have funds for everybody on a reasonable basis without having to make the Herculean, drastic kind of cuts being proposed.

So I end by saying yesterday was tax day. Today every American should take it very seriously. Take a harsh look at your Government. Examine how we are being taxed, how unjust the tax system is, how uneven the tax system is, how the corporations are paying only 11 percent while individuals are paying 44 percent, four times as much as the corporations are paying.

That is part of the answer. The other part of the answer is; where is the waste? Where do these expenditures need to be cut? Go look in the coffers of the CIA. They have \$2 billion in a slush fund, a petty cash fund. Go look in the coffers of the Federal Reserve. They have \$3.7 billion. Then they are jamming some of these other agencies. We better take a look at a lot of the

others, the space agency, the nuclear commission. All of these icons of Government need to be closely examined to see where is our money. The Department of Agriculture, which gives away money, has forgiven \$12 billion in debts to farmers, for Farmers Home Loan mortgages.

Mr. Speaker, it is tax time. It is a time we take seriously where the revenues come from and where the expenditures go. Every American ought to get involved. They ought to get involved with compassion and love and concern for their fellow man.

Mr. Speaker, I include Mr. Novak's article of April 15, 1996, for the RECORD:

[From the Washington Post, Apr. 15, 1996]

GOP DEFICIT TRAP

(By Robert D. Novak)

As Republican congressional leaders on March 28 were poised to flee Washington for a two-week Easter break, they failed to notice a "preliminary report" on the government's long-term fiscal outlook prepared by their own Congressional Budget Office (CBO). But President Clinton's eagle-eyed number crunchers quickly perused it and could scarcely contain their delight.

The report estimated the federal budget deficit for the year 2002 down to \$107 billion—miraculously, \$37 billion lower than the CBO number just three months earlier. Thus, the president and the Republicans are but a short, easy hop away from balancing the budget in seven years as measured by the CBO, as they each have agreed to attempt.

Good news? For Clinton, yes. For the Republicans, no. The hop to budget balance is too short and too easy. By this route, the deficit can be erased without one dime from entitlements—Social Security, Medicare, Medicaid and the like—whose immense growth could eventually ruin the economy. What's more, the deficit would be eliminated without downsizing the present massive structure of the federal government or relieving the onerous tax burden.

The Republicans are in a deficit trap. In their first experience controlling Congress in 40 years, they have gradually lost emphasis on revolutionary change in government by obsessing on the deficit. The president is on the brink of a major victory—achieving a zero deficit without significantly altering the federal leviathan and without providing real tax relief.

This became clear to Clinton's budget experts when they read the CBO's March 28 report forecasting the effects of a freeze at 1996 dollar levels of "discretionary" spending—amounts affected by the congressional appropriations process, as contrasted with entitlements.

The 2002 deficit estimate of \$107 billion was reduced from the \$144 billion in CBO's December 1995 update. Its reason: "largely" the piecemeal reductions in appropriations painstakingly passed by Congress that were not vetoed by Clinton. Assumed lower interest rates that would result from a balanced budget also were factored in.

The president's aides immediately telephoned their Republican counterparts in Congress, pointing out the new numbers and proposing: Let's get together now and make a seven-year budget deal!

The components of such a deal are not hard to envision: the small reductions in Medicare and Medicaid growth already proposed by Clinton, plus a few more cuts in discretionary spending. The package might also include a modest tax reduction (with some capital gains cuts) drafted by the Joint Tax Committee and tentatively endorsed by administration officials.

But Capitol Hill was empty of Republican policy-makers for the last two weeks, and what the White House was proposing was above the pay grade of GOP staffers still there. Such a budget deal would have far-reaching effects on the presidential election. Deficit reduction, budget-balancing and even tax reduction would be neutralized as issues for Republicans.

Senate Budget Committee Chairman Pete Domenici, campaigning for reelection in New Mexico, has been informed. So has Sheila Burke, chief of staff for Senate Majority Leader Robert J. Dole. House and Senate GOP budget staffers met last week.

But as Congress reconvenes this week, it is safe to say that there is no Republican policy for dealing with these numbers. In fact, only Bob Dole is in a position to make this decision now that he is the party's prospective presidential nominee.

In his long-accustomed role as a self-described "doer" rather than a "talker," the decision would be easy for Dole: Make the deal and accept the congratulatory signing pen from Bill Clinton at the Rose Garden.

It is more difficult now that he must confront Clinton in a broader arena. He must determine whether he will rule out a quick budget agreement and insist that the deficit is not everything and that it is essential to reduce entitlements and taxes for the sake of the economy.

He might even propose a package that adjusts the Consumer Price Index in a way that would cut entitlement payments but also increase tax payments, so that it would have to be accompanied by significant tax reductions. This course might rescue the Republicans from the deficit trap constructed by congressional leaders, including Bob Dole.

THE REPUBLICAN BUDGET

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from South Carolina [Mr. GRAHAM] is recognized for 60 minutes.

Mr. GRAHAM. Mr. Speaker, I think probably a good lead-in to this debate is the last comment of the gentleman from New York [Mr. OWENS] that every American should get involved with what is going on in Congress, and I think compassion and understanding are very good guides to have, and I think reality needs to be in there somewhere.

Let us talk about the budget real quickly, then we are going to get into something near and dear to everyone's heart in this country, and that is education. The Federal role in it, what we have tried to do at the national level in this Congress, I think to improve education, and to have an effective delivery system that recognizes the need to educate our children, to balance the budget, and what role money should play in all that, what role the Federal Government should play.

Mr. Speaker, I find it very interesting that we can balance the budget and remove the deficit without affecting entitlements. That is very curious. I need to read the article by Mr. Novak. As I understand the dynamic that we are facing, two-thirds of the Federal budget that we deal with is on auto pilot. Sixteen percent of the Federal budget is interest payments. We paid more in 1997, will pay more in 1977 for

interest on the national debt than the entire Defense Department, over \$400 billion.

Forty cents of every individual income tax dollar collected in this country goes to pay the interest element of the national debt. Over 50 percent, I believe it is 51 percent of the Federal budget consists of entitlement spending, such as Medicare, Medicaid and welfare. Medicare has gone up 2,200 percent since 1980.

When we look at the Federal deficit and the national debt, the national debt is over \$5 trillion, and I ask people at home what a trillion is. It is a number, it is a term that really is beyond imagination. I think a lot of people can relate to a million. They may not have a million, I certainly do not. But they can relate to the concept of a million dollars. If you spent a million dollars a day, Mr. Speaker, it would take you 2700 years to spend 1 trillion. If you collected \$1 trillion in taxes from the American public, it is the equivalent of \$3,814 from every man, woman and child in America, and we know that every man, woman, and child in America is not paying taxes. So those of us that are are paying a lot.

Let us talk about the Federal budget now that we understand what 1 trillion is. The Republican budget that Mr. OWENS criticized so harshly and the President vetoed appropriated \$12 trillion to run the Federal Government over the next 7 years. That is right, the Republicans have spent \$12 trillion at the national level over the next 7 years compared to the last 7 years. That is a 26-percent increase in Federal spending, a 64-percent increase in Medicare alone over the next 7 years, from a \$4,800 per senior citizen expenditure this year, to the year 2002, it will grow to \$7,100. A tremendous amount of money is being spent on welfare and Medicaid, an over 50-percent increase.

Student loans in the education area, we have increased student loan funds by over 50 percent in the next 7 years. What the Republican budget has done is tremendously increase spending over a 7 year period 20 percent, 6 percent across the board, tremendous increases in entitlements, but less than the projected amounts, because the projected amounts are going to be well above 50 percent, well above 63 percent. Those of us who say that we want to balance the budget, I think we need to start being honest with each, and I know my colleague from Florida has been a real champion in this cause. If Members really want to balance the budget, I think it is time to address why we have debt to begin with.

Why did America get into \$5 trillion worth of debt? Was it because Ronald Reagan increased military spending during the 1980's where the deficit did grow? Well, the truth is that he did. I was in the Air Force from 1982 to 1988. After the Carter years, the military was a place that needed expenditures. Spare parts were in short supply. We had squadrons of airplanes grounded.