

disgraceful. I think it is shameful. How do we look those Americans in the eye who are struggling to feed their kids, who do not have work, and we tell them that we have a solution to the problem?

What is the solution? I do not believe it is adopting the President's leave-no-millionaire-behind plan. Ever since this President has taken office, we have said we are going to cut taxes. We have a recession, we are going to cut taxes; the economy is down, we are going to cut taxes; you want to go to war, we are going to cut taxes; if tuition goes up, we are going to cut taxes; if health care goes up, we need to cut taxes; and if schools are cutting the year short because they cannot afford to educate their kids, we are going to cut taxes.

We hear a lot, Madam Speaker, about compassionate conservatism, when it seems the only thing being conserved in the United States Capitol is compassion.

I do not understand what is compassionate for the 8.8 million unemployed people in this country. To me, leaving them hanging is cruel. I do not understand what is compassionate for the 80,000 workers who are exhausting their unemployment benefits every week. To me, Madam Speaker, that is cruel. And I do not understand what is compassionate for the 360,000 Ohioans who cannot find a job. I think it is cruel. I do not think it is compassionate.

During our country's last major recession, in the early 1990s, Congress kept the extended unemployment benefits program in place for 27 months; 27 months. Earlier this year, we had to beg and plead just to get the current program extended to 15 months, and the unemployment problem is worse today than it was then.

I must say, Madam Speaker, what I really have a problem with and what I am really not understanding, there was an article today in the Washington Post, and it talked about deflation and how the Fed and the policy advisers of the Federal Reserve are starting now to worry seriously about deflation. They are saying that there are too many goods in the marketplace, there is too much labor in the marketplace, and the prices are going to be driven down because of the oversupply.

There are three job seekers for every job opening. This is one of the worst labor markets since the Great Depression, and we have too many goods, and we have too many workers, too much supply, and the answer is to go back to the supply-side economics of the 1980s.

We have enough supply. We do not need to cut taxes for the wealthiest people. We need demand-side economics, and the greatest stimulus that we can give is to extend these unemployment benefits.

One study says that each dollar spent on unemployment benefits would boost the economy by \$1.73. We need people to buy products. There are enough products trying to be sold. If you cut

taxes for the top 1 percent, they are not going to produce anything, because there are enough goods already in the marketplace.

We need to take care of the 2 million people and the 36,500 Ohioans, give the money to them, let them feed their families, let them clothe their families, and let them stimulate the economy. We have tried the supply-side economics once in the 1980s. It did not work. We ran tremendous deficits. We increased the burden on future generations. What we need to do is put the money in the pockets of the people who need it, average, middle-class Americans.

Again, Madam Speaker, this is voodoo economics, it is smoke and mirrors, it is bait and switch, and it does not work, and I do not think we should try it again.

□ 1700

#### CONGRESS SHOULD EXTEND UNEMPLOYMENT INSURANCE BENEFITS IMMEDIATELY

The SPEAKER pro tempore (Ms. GINNY BROWN-WAITE of Florida). Under a previous order of the House, the gentleman from Maine (Mr. MICHAUD) is recognized for 5 minutes.

Mr. MICHAUD. Madam Speaker, I stand before my colleagues today to call on this Congress to pass an extension of unemployment benefits immediately. Just listen to the unemployment numbers from labor market areas in my congressional district; they are glaring: 30 percent in the Millinocket and East Millinocket area, 13 percent in Calais, 12 percent in Jonesport-Millbridge, 11 percent in Dexter-Pittsfield, 11 percent in Machias-Eastport.

The fact is behind those figures are real people and real families, and they go to bed every night with the uncertainty that hangs over their beds.

As a mill worker in northern Maine myself for nearly 30 years, I know the stories of those who have lost their jobs. I know the people. They are my neighbors, they are my friends, they are my relatives. They are the very men and women whose hard work fueled a decade of economic expansion, which they barely enjoyed, and they have now become the victims of a fallen economy.

The Federal Government reported that 8.8 million Americans are out of work and that our country's unemployment has risen to 6 percent. Over the past 2 years, the economy has lost over 2.7 million private sector jobs, and our economy has suffered a net loss, on average, of more than 74,000 jobs a month.

In Maine, over the last 8 years, we have lost over 22,000 manufacturing jobs alone from companies like Georgia-Pacific to Dexter Shoes to Fraser Paper Company to Great Northern Paper Company to Hathaway Shirts to Foster Manufacturing, just to name a few. Almost every week my office re-

ceives news of yet another company that has shut its doors or has laid off people.

By the end of May, over 2,700 workers in Maine will have exhausted their benefits, and 10,600 workers in Maine could be helped by an extension, not to mention the nearly 4 million jobless Americans.

How can this Congress turn its back on them?

An extension would also do much more than provide just aid. At a time when we are trying to get this economy moving again, putting money in the hands of people who will spend it on consumption is one of the best investments that we can make.

According to an independent research group, each dollar devoted to UI extension would boost the economy by \$1.73. By contrast, each dollar that is connected with the tax reduction dividends would boost the economy by just 9 cents. I think the choice is very clear.

But, despite these facts, last Friday this House passed a so-called recovery plan that is centered around reducing taxes on capital gains and dividends. Madam Speaker, 94 percent of the people in my district will get an average tax cut totaling only \$52 from the cuts on capital gains and dividend taxes. How will that plan put money in their hands to spend and consume so they can stimulate the economy? How will this help get them jobs?

After nearly 30 years working in a paper mill, I know what working people need, and the bill that was passed last Friday will not help working people at all. It will not help the people in Millinocket, Jonesport, Dexter or Bangor.

By contrast, an alternative plan that I supported would actually deliver billions of new tax relief. It would give incentives so companies will hire the long-term unemployed, it would deliver \$44 billion in aid to struggling States like Maine, and it would also extend unemployment assistance to those struggling to find a job. This would deliver over 1.1 million new jobs.

We could do all of this in 10 years at zero cost, nothing; no additional budget deficits, no more borrowing from Social Security. This is the best course for the State of Maine. This is the best course for America.

So let us take the first step, and that first step is we must pass an unemployment insurance extension today so those areas with high unemployment such as 30 percent unemployment in the Millinocket area will be able to benefit and get the economy moving again.

#### EXCHANGE OF SPECIAL ORDER TIME

Ms. HARRIS. Mr. Speaker, I ask unanimous consent to take the time of the gentleman from Texas (Mr. BARTON).

The SPEAKER pro tempore (Mr. CHOCOLA). Is there objection to the request of the gentlewoman from Florida?