

The administration and our Republican leadership tell us that the economy is rebounding and that we are in an economic recovery, but to the hard-working Americans who are still looking for those jobs, the statistics do not amount to a hill of beans because they still cannot find work. To them, a jobless recovery is no recovery at all.

America's unemployed have this administration to thank for an economic recovery that has produced few jobs and has little impact on their lives. Sure, the administration will tell us that job creation is its number one priority. In fact, over the past year, the President has gone on a nationwide public relations tour touting his tax cut in front of backdrops that proclaimed "Strengthening America's Economy" and shout "Jobs, Growth and Opportunity."

The truth of the matter is, however, that any growth produced by the administration's economic policies has come at the expense of jobs or Congress' opportunity to create them.

Let us take the administration's catch-all solution for any of our economic woes, tax cuts. The administration said that our economic recovery would be fueled by consumers who spent the extra money. Unfortunately, an income tax cut does not help unemployed workers without an income. They do not feel the economic recovery.

To this argument, the administration is sure to say, wait a minute, we also gave businesses tax cuts to expand and create jobs. Well, our businesses did not take their advice. Instead, they invested in technology and innovation, and in doing so, they increased productivity and can now produce more products without producing more jobs.

In fact, a recent Department of Labor study determined that our high unemployment levels are due not just to layoffs, but primarily to the lack of new hires in expanding businesses. So tax cuts for businesses have provided little relief for unemployed workers.

Our trade policies have also been truly devastating for the American worker. By implementing fast-track trade negotiating authority and permanent normal trade relations for China, we have seen American jobs go out on a fast track out of this country. I would remind my colleagues that 3 years ago, we were promised that trade with China would lead to an increase in American jobs and exports. Well, certainly, we were not told that, 3 years later, our main export to China would actually be American jobs, about 1 million of them to be specific.

Frankly, we have given American businesses little incentive to keep their jobs in this country. In ratifying a flurry of free trade agreements, we have made it increasingly difficult for American products to compete with their inexpensive foreign competitors. We have left many American businesses with few choices other than to move production, and jobs, offshore.

Additionally, too many of our service sector businesses are outsourcing their jobs to cheaper foreign labor. Today, we already have 400,000 jobs outsourced to a country like India. That number is bad enough, but even worse is a recent study indicating that over 3 million of these jobs will likely be outsourced over the next 10 years.

This country has already felt the tremendous pain of losing almost 3 million jobs. We need to take action now to encourage private sector business to keep these much-needed jobs at home.

Mr. Speaker, the unemployment rate in this country stands at 6.1 percent. The sad news, however, is that that number does not even take into account the thousands of Americans who have looked for work but have now given up. Labor force participation, the percentage of Americans who are either working or looking for work, is only 66 percent. It is at the lowest level since 1991.

We need true job creation in this country, not the administration's idea of job creation through permanent tax cuts, tort reform and more free trade legislation. That kind of trickle-down job creation will not work any better than their trickle-down economics.

Instead of their faulty economic policies, we need to stimulate the economy directly by aiding our cash-strapped States so that our law enforcement and teachers can keep their jobs. We should create jobs through public works programs that will employ our skilled workers while repairing America's crumbling roads and bridges. This is the kind of economic stimulus needed in our country. This is the kind of economic stimulus that creates jobs on the ground.

The administration tells us to be patient, the economy is growing and the jobs will come. Unfortunately, however, recovery based on increased productivity only lessens the chance for job creation because to create jobs the economy must grow faster than productivity, and it does not seem likely that our sputtering economy will be meeting these expectations in the near future.

So, here we are, with record-level trade deficits brought on by record-level tax cuts that will not do a thing for most of the American people hurting the most. And it is a shame, particularly because we had a choice. The administration could have pursued economic policies in the best interests of both our country and America's unemployed workers. Instead, they pursued economic policies in the best interest of their campaign and reelection efforts, and the unfortunate result is a jobless recovery, or if we ask our unemployed workers, no recovery at all.

WASTE, FRAUD AND ABUSE IS RAMPANT

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

Mr. NEUGEBAUER. Mr. Speaker, I rise today because of the serious concerns I have about wasteful spending practices by the United States Government. Waste, fraud and abuse is rampant.

Financial management, for instance, at the Department of State is a problem. Although it accounts for billion of dollars annually in appropriations and possesses over \$20 billion in assets, it usually cannot determine how much its programs cost or how much money it has. An audit revealed that the State Department owes \$3.5 million on past orders that have never been delivered, a revelation which the Department's accounting books failed to reflect. One contract billed the Department for \$92,000 in insurance premiums for a policy that never existed.

The financial management service at the Department of Treasury could not produce details on many outstanding checks, and in one case, caused a \$3.1 billion overstatement of its cash position. The Inspector General reviewed 24 individual cases of government purchase on credit cards at the same department. The investigation revealed that purchases were unsupported and unjustified, and while none of those were large, had large price tags, they concluded that the system is more than moderately subject to fraud, waste and abuse.

Last November, the GAO investigators created a fictitious graduate-level school they called Y Hica Institute for the Visual Arts, purportedly located in London, and received student loans on behalf of fictitious students, including one name which was the same as the chair of the Permanent Subcommittee on Investigations of the Senate Government Affairs Committee.

Employment Training Administration's accounting system for grants is consistently poor. For example, transfers of Workforce Investment Act funds are not even noted on the agency's books.

The Department of Labor Inspector General estimates that the IRS overcharged the Unemployment Trust Fund by \$174 million in fiscal years 1999 through 2002.

\$238 million in funds were found that the States no longer needed on projects that should have been redirected to other projects. Of this amount, \$54 million was idle for 16 years on a freeway project in Connecticut that had never even started.

The Environmental Protection Agency awarded \$700,000 on a contract without knowledge of the work the recipient was going to perform. The work plan did not have clear objectives, milestones, deliveries or outcomes.

The Inspector General of the EPA audited a sample of 116 assistant agreements awarded by the Office of Air Radiation and the Office of Water. In 79 percent of these projects, using over \$100,000, project officers could not document the costs or document cost reviews of the proposed budgets. In 42

percent of these projects, the EPA did not even determine the environmental outcomes. For example, EPA awarded a recipient \$200,000 to regulate costs charged by power companies. The work plan contained no environmental outcomes and stated that specific projects would be identified at a later date.

These are just a few examples of the waste, fraud and abuse, a problem which is decades old. Republicans, led by the gentleman from Iowa (Mr. NUSSLE), the Committee on the Budget chairman, and President Bush and those of us here tonight are working hard to eliminate the culture of waste that exists today, and I believe we have a chance. I urge my colleagues to join this effort because waste, fraud and abuse within the Federal Government not only steals from the taxpayers, but the beneficiaries so desperately in need of quality services.

This is not a debate about which programs should be funded. This is about bringing accountability to the money that is spent. As Members of Congress, we have a responsibility to do make sure that the American families do not get ripped off.

2004 ELECTIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Ms. KAPTUR) is recognized for 5 minutes.

Ms. KAPTUR. Mr. Speaker, this evening I wish to talk about the elections of 2004 and how we prepare for them across our country, and I wish to attach an article from the Cleveland Plain Dealer today entitled, "Computer Voting Is Not Fool-proof" and also a front-page story from the New York Times entitled "Replacement Near, Old Vote Machines Are New York Issue."

[From the Cleveland (OH) Plain Dealer, Oct. 2003]

COMPUTER VOTING ISN'T FOOL-PROOF

(By Lawrence M. Krauss)

Anyone who was not in a coma in November 2000 remembers the agony caused by the now infamous butterfly ballots and hanging chads. Concerns about the possible repeat of events almost caused the California recall election to be delayed.

Following the election debacle in Florida, Congress became determined that in the next elections the winners actually would be determined by all the votes casts. Last October, they passed the Help America Vote Act in order to help states prepare for the next election. Unfortunately, the solutions being proposed, involving an assortment of computer-voting systems, may be worse than the problems they were designated to fix.

We are used to depending on computers for almost every aspect of our lives, from governing our bank accounts to controlling our cars. So it doesn't seem highly radical to suggest computer-aided voting. That is, until you think of the possible problems.

How can you be assured after you vote that the machine actually recorded your vote? With a paper ballot, even a flawed ballot, at least there is a semi-permanent record that we can return to—and argue over, if necessary. Would you buy an airplane ticket by

computer if there was no way to obtain a printed receipt of your transaction?

There already have been problems. For example, in the 2002 election, the new computer voting systems in Florida lost more than 100,000 votes due to a software error.

Voting is not like a physics experiment. We learned in Florida that even if the first attempt is flawed, no large-scale election is likely to be repeated merely to verify the result—as one would do in any good scientific measurement. Thus, you have to get it right the first time and allow some method of secure verification.

It is not surprising, therefore, that one of two Ph.D. scientists in Congress, physicist Rush Holt of New Jersey, has proposed new legislation that would require a paper record of every vote and require that all software for use in elections be verified in advance.

In spite of this, various states have indicated a willingness to go ahead with systems that experts in the field find suspect. As reported in the New York Times last month, software flaws in a popular voting machine, the Diebold Accuvote-TS machine, make it vulnerable to manipulation. More than 33,000 of these machines are used in 38 states.

In the Science Applications International Corporation report, commissioned by Maryland (which nevertheless plans to use the Diebold machines in its next election), "several high risk vulnerabilities" were identified—even based on the assumption that the machines are isolated and not connected to the Internet. But in a March primary in California, the Diebold machines were connected to the Internet with election tallies posted on the Internet before polls closed.

It is interesting in this regard that Walden O'Dell, the CEO of Diebold, an Ohio company, was quoted in The Plain Dealer as telling Republicans in a recent fund-raising letter that he is "committed to helping Ohio deliver its electoral votes to the president next year."

As we rush to install computer voting systems, we should remember the admonition of a former chief scientist at Sun Microsystems Inc., who said in a television interview following the 2000 election: "If your life depended on the measurement of a single ballot, would you prefer it be read by a machine, or examined carefully by three different human beings?"

If we are to avoid a host of articles on this page explaining how the election of 2004 might have been stolen, state governments must step back from the current headlong rush to install computer-voting system until the necessary verification systems and security guarantees, certified by outside experts, are in place. Certainly no one wants to relieve the frustration that followed the 2000 election—without any possibility of rechecking the results.

[From the New York Times, Oct. 20, 2003]

REPLACEMENT NEAR, OLD VOTE MACHINES ARE NEW YORK ISSUE

(By Eric Lipton)

James Parks, on his knees, struggled to find the one screw amid the 20,000 parts that would unjam the scraped and dented New York City voting machine he was repairing. Ray Crews, another mechanic, had a handful of thin metal straps, which he carefully threaded, one at a time, into the back of the 800-pound behemoth he was servicing nearby. And Jamie Wilkins used a screwdriver to flip back tiny copper switches in the endlessly complex guts of another battleship-gray machine.

Almost three years have passed since the Election Day debacle in Florida that generated calls for a comprehensive nationwide modernization in voting equipment. But this

cavernous Brooklyn warehouse, filled with row after row of mechanical lever voting machines, purchased mostly when John F. Kennedy was in the Oval Office, shows just how far New York City has to go.

"It's sticking," Mr. Parks finally yelled out to Mr. Crews, a more experienced mechanic, as he tried to reset a vintage Shoup voting machine so it could be used in the Nov. 4 election. "I am trying to get to the screw. But I can't get to it."

New York State has a plan to buy new voting equipment, replacing New York City's 7,295 machines as well as the 12,000 similarly antiquated machines elsewhere in the state. The federal government has already delivered \$65 million in aid to New York to get this modernization project under way, and up to \$180 million more could ultimately come from Washington.

Though New York City's voting machines broke down 603 times in the 2002 primary and general elections, forcing thousands to vote by paper ballot, not a cent of the federal funds has been spent in New York State so far. And as each month passes, it is looking increasingly uncertain that the state will comply with a federal requirement that all the lever machines be retired by 2006.

"It is a very tight schedule, even without delay," said Lee Daghlian, a spokesman for the New York State Board of Elections. "It is going to be very difficult to do. And if we don't meet the deadlines, we are in violation of the law."

The federal government has the right to sue states that fail to comply, and to withhold aid.

Many other states are also struggling with voting modernization, with just a few, like Georgia and Maryland, already installing or selecting new machines statewide. Just why New York is off to a slow start comes back, at least in part, to that perennial source of roadblocks: partisan-charged squabbling among the Senate, the Assembly and Gov. George E. Pataki in Albany. But in this case, it is more complicated.

A long list of fundamental questions must be answered about how best to remake the voting experience across New York State: what the new ballot should look like, how a new statewide voter registration database should be set up, what kind of security should be incorporated into the new machines to prevent fraud, whether there should be one machine statewide or several models, and who should select the machines the state will buy.

Resolving each question will be hard enough. But the choices must come amid the charged atmosphere sure to form as lobbyists from the nation's biggest manufacturers of voting equipment descend on Albany, trying to grab a piece of what could be one of the largest voting machine contracts in the nation's history.

"This is going to be intense," said Brian O'Dwyer, a Democratic Party activist and a lobbyist for Sequoia Voting Systems. Sequoia, a California company, has also hired a Republican lobbying team, led by Jeff Buley, who was general counsel to Governor Pataki's re-election campaign last year.

"It is huge," added Dan McGinnis, senior vice president for domestic sales at Election System & Software, an Omaha, Neb., company that wants into the New York market.

Regardless of who wins the contract, voters will see the biggest changes in nearly a century. So a small army of government watchdog types is monitoring the debate, ready to intervene if politics intrudes on one of democracy's fundamental rights.

"How you run your election is a cornerstone of democracy," said Blair Horner, legislative director for the New York Public Interest Research Group. "We are very concerned that a voting system may be put into