

turn a blind eye to waste in the Defense Department.

The Defense Department is a gigantic bureaucracy, in fact, the biggest bureaucracy in the world. It has the same problems and inefficiencies of any giant bureaucracy; and conservatives, especially fiscal conservatives, should not give a free ride to waste, fraud and abuse just because it is done by the Defense Department.

Counting our regular defense appropriations bill, plus emergency and supplemental appropriations bills, plus the military construction appropriations bill, plus the end-of-the-year omnibus appropriations bills, we spend more on defense than all of the other Nations of the world combined. Yet the military, like all other bureaucracies, always wants more money.

Well, at some point, we are going to have to decide, do we want national defense for our own people, or are we going to be the policeman of the world and provide international defense for all countries that claim to be our allies?

With a national debt of almost \$9 trillion and unfunded future pension liabilities of many trillions more, I believe it is both unaffordable and unconstitutional for us to try to be the policeman of the world. We will soon not be able to pay Social Security and veterans' pensions with money that means anything, and all of the other things the Federal Government is doing, if we try to maintain an empire around the world.

Conservatives have traditionally been the biggest critics of interventionist foreign policies because they create so much resentment for us around the world.

Finally, Mr. Speaker, conservatives have traditionally been the biggest critics of nation building, as President Bush was when he ran for the White House in 2000. We need the more humble foreign policy he advocated then, or we need to tell the people to forget about their Social Security because we are giving blank checks to the Pentagon.

GENERAL LEAVE

Mr. PRICE of Georgia. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the subject of my Special Order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

BLUE DOG COALITION

The SPEAKER pro tempore. Under the Speaker's announced policy of January 18, 2007, the gentleman from Arkansas (Mr. ROSS) is recognized for 60 minutes as the designee of the majority leader.

Mr. ROSS. Mr. Speaker, this afternoon, I rise on behalf of the 44-member-strong, fiscally conservative Democratic Blue Dog Coalition, as we demand from this Government fiscal accountability as well as fiscal responsibility.

Mr. Speaker, as you walk the halls of Congress, it is easy to know when you are walking by the door of a fellow fiscally conservative Democratic Blue Dog Coalition member, because you will see this poster as a welcome mat to his or her office to remind Members of Congress, to remind you, Mr. Speaker, to remind me, and to remind the American people and all of those who walk the halls of Congress, that the U.S. national debt today is \$8,696,414,214,377.65.

For every man, woman and child in America, their share, our share, my share of the national debt is \$28,900.92. That is a big number.

A lot of people think, well, it really does not matter what the debt is, our Government can simply print more money. I wish it was that simple.

Our Nation today is spending the first half a billion dollars it collects in taxes not to improve veterans' health care, to protect our troops, to build roads, to fund health care, to protect Social Security and Medicare, to ensure the 47 million folks without health insurance have access to it. No. The first half a billion dollars that we collect every day in taxes from the hard-working people in this country go to simply pay interest, not principal but interest, on this number, the national debt.

And those which should be America's priorities will continue to go unmet until we get our Nation's fiscal house in order. This is something that affects every man, woman and child in America. We have a plan, a 12-point plan for budget reform to ensure that we can live within our means, that we can pay down this debt and restore fiscal discipline and common sense to our Government.

One of those 12 points, by the way, Mr. Speaker, is what we referred to as PAYGO rules, which means pay as you go. And I am real proud that the leadership under this Democratic Caucus in the first 24 hours, not 100 hours, but the first 24 hours, the Democratic leadership reinstated PAYGO rules on the floor of the House. Which means, quite simply, if you want to fund a new program, you got to show us where the money is coming from.

Now the Republicans tend to think that that means that to fund new programs you raise taxes. I find it quite interesting that the Republicans think that PAYGO, pay as you go, means raise taxes to pay for new spending. It does not mean that. It means cut programs. It means make the tough choices to put an end to the waste in Government.

I got some 8,000 brand new, fully furnished mobile homes sitting at the airport in Hope, Arkansas, that were des-

tined for Hurricane Katrina storm victims but never reached them. That is \$400 million right there.

We are not talking about raising taxes to pay for a new program. But I can tell you what we are talking about, Mr. Speaker. We are talking about putting an end to the days of the Republican leadership borrowing money from China to fund a new program creating this large number, making it go up daily. It is still going up nearly a billion dollars a day under the Republican budget that was approved last year.

No more of that, Mr. Speaker. No more borrowing money from China to build a rain forest in Iowa. We are demanding that you show us how you pay for your projects and your programs. We are going to restore fiscal discipline and accountability to our Government.

This week, the President came out with his budget; and we will be visiting more about the President's budget during this hour.

But another thing that the fiscally conservative Democratic Blue Dog Coalition is doing is we have gotten together and we have written and endorsed what is referred to as House Resolution 97. And House Resolution 97, we have 39 cosponsors. It is providing for Operation Iraq Freedom cost accountability.

Put quite simply, we are demanding accountability on how your tax money, Mr. Speaker, and the tax money of the hard-working people of this country is being spent in Iraq. You ask 100 different people what they think about this Iraq policy, you will get about 100 different answers. You will find some Members of the Blue Dog Coalition that are for the surge, some are against. I am against the surge. I think the American people want us to go in a different direction in Iraq.

But one of the things that unites us as a coalition and the things that we have endorsed and that we have written and we are trying to put in place is House Resolution 97, which has four crucial points that demand fiscal responsibility in Iraq.

Point number one, a call for transparency on how Iraq war funds are spent. The American people are sending some \$9 billion a month to Iraq. That is about \$12 million an hour. And the American people in this country that work hard and pay taxes deserve to know how their money is being spent in Iraq.

Number two is the creation of a Truman Commission to investigate the awarding of contracts. It is time, Mr. Speaker, to put an end to war profiteering in Iraq.

Number three, a need to fund the Iraq war through the normal appropriations process. Play by the rules. No more of this so-called emergency supplemental appropriations to hide from the American people the true cost of the war.

Finally, number four, use American resources. This is America. We are the leader of the free world, and we should

be using our resources to improve Iraqi assumption of internal policing operations. In other words, it is time for the Iraqi people to step up to the plate and buy into this and take more responsibility and accountability.

I am joined this hour by a number of my Blue Dog colleagues, Mr. Speaker. At this time, I yield to the gentleman from Kentucky (Mr. CHANDLER).

Mr. CHANDLER. Mr. Speaker, I appreciate all that the gentleman from Arkansas is doing to bring these issues to the forefront, to the American people, because I believe they are extremely important and I know all Members of the Blue Dog Coalition believe that accountability and responsibility to the people of our Nation is of the utmost importance.

Mr. Speaker, the President sent a \$2.9 trillion budget to Congress yesterday. That is quite a lot of money. And you would think that among those trillions of hard-earned tax dollars the President would find resources for the most essential services like education for our kids and health care for our veterans. But, once again, those who need our help the most are the very people who have been pushed aside.

If we follow this budget, Medicaid and Medicare will be cut by \$101 billion over the next 5 years; health care for our veterans will be slashed by \$3.5 billion over 5 years; Perkins loan funds for our college students will be recalled; and No Child Left Behind will be underfunded by some \$15 billion. The President, in addition, would have us cut State preparedness training programs and firefighter and law enforcement grants, depriving our first responders of the funds necessary to operate in this post-9/11 world.

These policies make no sense. They rob our children of opportunity, make our communities less safe, and dishonor those who have sacrificed while wearing our Nation's uniform. I could understand some of these cuts if they were being made in the name of fiscal responsibility, but they are not.

If we were truly making an effort to reduce our public debt, I could, and I believe the American people could, accept some pain. Because the cause that we would be fighting in that case would be a good one, and it would be about our future.

But that is not the case. This budget is not trying to reduce the debt. The President's budget will drag us even deeper into debt, to the tune of \$3.2 trillion over the next 10 years. Trillion. That is a lot of money. Burdening future generations with mountains of debt, not of their own making.

Mr. Speaker, when I talk with my constituents back home in communities rich in values and common sense, they ask me a simple question over and over again.

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Where is their tax money going?

If we are cutting all of these programs, yet going deeper into debt,

what value are we getting for our tax dollar?

We owe it to our constituents to answer these questions. And it starts with ending the black hole of waste, fraud and abuse that is plaguing our reconstruction efforts in Iraq.

Here are the facts: we have already budgeted some \$108 billion on reconstruction. Yet, the Inspector General for Iraq Reconstruction is telling us that we haven't come close to recovering the level of basic services that Iraqis enjoyed under Saddam Hussein.

Here is the return Americans are getting on their over \$100 billion tax investment: only 25 percent of Iraqis have access to clean water; access to modern sewer facilities remains an incredible problem for most Iraqi families; Iraqis now have electricity for only 4.3 hours per day; and oil production is down almost one million barrels a day since the levels before the war.

How long are we going to let this farce continue?

We can argue all day about spending priorities. But can we not at least agree to make sure that our tax dollars are being efficiently spent to accomplish good? Because right now the only thing I see these tax dollars are doing efficiently is lining the pockets of government contractors.

How many reports of jobs being billed that were never authorized; jobs being started without permission; individuals admitting to stealing millions of reconstruction dollars, and private contractors, such as Halliburton, being awarded unprecedented numbers of no-bid government contracts do we have to put up with before we do something about it?

Well, Mr. Speaker, it is my belief and the belief of the Blue Dog Coalition that we must demand accountability. The President, with his proposed budget, is telling our seniors, our students, our veterans, and our working families that our country doesn't have the money to help pay for their health care or for their education.

I say we will come closer to having the money for health care and education if we stop mismanaging funds in Iraq and greasing the pockets of contractors who are failing, in many instances, to get the job done. That is why our coalition, the Blue Dog Coalition, has introduced the House resolution for the Operation Iraqi Freedom Cost Accountability.

In the spirit of the Truman Committee, which defeated so much corruption and saved our country in excess of \$15 billion during World War II, this resolution outlines the critical steps this body must take to hold the administration accountable for its neglect of taxpayer dollars.

It is our constitutional obligation, as Members of this body, to provide oversight for war spending. And Congress has neglected this duty for far too long. We owe it to the taxpayers of this country, to the troops who are fighting this war, and, yes, we owe it to future

generations who are going to be financing this war for many, many, many years to come to stop the wasteful spending of this administration and war profiteering by contractors.

We need a modern-day Truman Committee. And we need transparency on how Iraq war funds are being spent. The days of offering the President a blank check are over. We need to ask the tough questions, and we need to send a message that waste, fraud and abuse in Iraq reconstruction just simply will not be tolerated.

I thank all of my fellow Blue Dogs for the work that they are doing on this issue, for continuing to raise awareness, and I hope that my colleagues on both sides of the aisle will join forces to restore fiscal integrity to this war.

Thank you, Mr. ROSS. I appreciate the time. I appreciate the job that you are doing.

Mr. ROSS. I thank the gentleman from Kentucky for his valued insight into H.R. 97, which is the Blue Dog-endorsed House resolution to demand accountability and fiscal responsibility in how tax money is being spent in Iraq, some \$9 billion a month; put another way, some \$12 million an hour.

Let me be clear that as members of the Blue Dog Coalition, we support our troops 110, 120, 130 percent. We can't do enough for our troops. And as long as we have troops in harm's way, we are going to be there to ensure they have what they need to get the job done and to get it done as safely as possible, and hopefully get on back home to their families.

This has impacted every family in America in one way or another. My brother-in-law is in Kyrgyzstan now, which is the entry point for Afghanistan, just as Kuwait is oftentimes the entry point for Iraq. My first cousin was in Iraq when his wife gave birth to their first child.

Before coming down here today, I visited with a Ms. Watson in Pine Bluff, Arkansas, whose son, and she is so very proud of him and I am too, Lt. Colonel Watson, continues to serve us today in Baghdad. We thank him. We thank all soldiers for their dedicated service to our country.

This is about accountability. This is about having responsibility and oversight on how our tax money is being spent in Iraq.

Not only that, but this hour is dedicated to talking about this new Bush budget that was delivered to Capitol Hill yesterday. Thank goodness that, as Members of Congress, we get a vote on this budget, that we can ensure that funding is there for education and for our veterans. And, yes, we are creating a new generation of veterans in Afghanistan and Iraq today. And we have got to be there for them.

I yield to the gentleman from Tennessee, a former cochair of the Blue Dogs for policy, Mr. COOPER.

Mr. COOPER. I thank my good friend from Arkansas, and I thank my Blue Dog colleagues.

Mr. Speaker, I would like to focus for a minute on the release of the President's budget. As has been mentioned, it just came out yesterday, and today, as a member of the Budget Committee, we had our first hearing with Rob Portman, the director of the Office of Management and Budget and former trade ambassador and former Member of this House.

This is what a part the budget looks like. It is available online. It is about 150, 200 pages. This looks like a very credible document. But that is what I would like to discuss today.

One of the first claims in this budget is in the second paragraph, it says: "The budget I am presenting achieves balance by 2012." Hallelujah. Wouldn't that be nice, if it were true.

Now, if you look deeper in the budget, you will see that they claim, after years of deficits in the Bush administration, remember, we had a surplus in the last 3 years of the Clinton administration, but after years of Bush deficits, they claim that by mid-term of the next President, we will have a surplus. Well, that would be good news if it were true. They claim that the surplus in that year will be \$61 billion. And I hope that a number like that would be true.

But if you look at page 168 of their document, you will see that that \$61 billion surplus is really a \$187 billion deficit disguised by borrowing \$248 billion from the Social Security trust fund. In other words, we would have a sizeable, large deficit if it weren't for the money they are planning on taking from the Social Security trust fund in that year.

And this isn't just a once-a-year practice. They are planning on doing it every year between now and then. In 2007 they took \$183 billion from Social Security. In 2008 they are taking \$212 billion from Social Security. In 2009 they are taking \$226 billion from Social Security. In 2010, \$245 billion from Social Security. And in 2011, \$264 billion.

So, basically, what this budget says, although it looks very respectable and credible, it says we are going to take over \$1 trillion, close to \$1.25 trillion from Social Security so we can disguise the budget deficit and make it look like a surplus 5 years from now. Mr. Speaker, that doesn't sound like honest budgeting to me.

But don't take my word for it. Look at this other document. This came out about a month ago. This is from the U.S. Treasury Department. This uses a different and better method of accounting to tell us where we are financially in this country. And it says, basically, we are at deficits as far as the eye can see. And the deficits are far, far larger than what the President admits to in this document.

But even if you don't believe any of these government documents, either the President's or the Treasury Department's, look at a private sector organization called Standard & Poor's. They are on Wall Street. They are probably

the top credit analyst agency in the world. They projected this last summer that the U.S. Treasury Bond, the most important financial instrument on the planet, would lose its triple A credit rating by the year 2012, just 5 years from now.

So in other words, S&P, the leading credit analyst, said that although this document says we are going to have a surplus then, they say we are going to have continuing deficits as far as the eye can see, in fact, deficits that damage and possibly destroy America's credit rating.

Standard & Poor's went on to say in their analysis, they said that by the year 2025 the U.S. Treasury Bond wouldn't have just lost its triple A credit rating. They say that the U.S. Treasury Bond would actually become junk debt by the year 2025. Below investment grade. That would be a true tragedy for our Nation. We cannot let that happen. And that is why we need to examine the credibility of the numbers in this document. We need to make sure that they are correct.

And if you look at the assumptions in this document, you will see not only trouble with the terrific borrowing they are planning on doing from the Social Security surplus; you will see trouble in the fact that they are planning on the AMT tax taking a bigger and bigger bite out of the middle class in America for the next 4 or 5 years. They do nothing to remedy that in this document.

There are so many other features of this document that make it almost completely unrealistic as a starting point for our budget debates.

Mr. Speaker, we have a lot of work to do. It is not easy putting together budgets. I have done it because I had the privilege of serving back in the majority days, over 12 years ago here. It is a very difficult process to come up with a proper budget. But that must begin now. And I would just wish that the President's offering were going to be of more help to us. It is not all bad. There are some good elements of the President's budget. But if you look at the overall promise of a balanced budget by 2012, I am not sure anyone in the administration really believes that. It is here on paper, and it sounds mighty good. But if you look at the assumptions underneath it, whether it is borrowing from Social Security or whether it is taking the big bite out of the middle class with the AMT tax, it looks like the President's budget is not standing up to scrutiny.

But I thank my friend from Arkansas. I thank my Blue Dog colleagues. This is the day that we start the budget debates. Over the next 2 months we will be trying to bring this to a conclusion.

I hope that all Americans will download these documents off the Internet, will participate in the debate, and let me and other Blue Dogs know your opinions on what we should do on those budget matters.

Mr. ROSS. I thank the gentleman from Tennessee (Mr. COOPER) for his valued input and insight into this budget process. The President has done the annual ceremoniously bringing of the budget, if you will, to Capitol Hill. And, in fact, Mr. Speaker, here is a copy of it. This is the budget of the United States Government for Fiscal Year 2008 from the Office of Management and Budget. And it is quite a lengthy document.

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But if you read over it, you will learn that the budget submitted this week continues the same policies that helped create the fiscal mess now facing our government.

While the administration's budget claims to reach balance in 2012, unfortunately, this budget is in deficit every year under realistic Bush policy assumptions. The budget continues to make the wrong choices for the American people. It proposes substantial cuts to programs that benefits seniors, working families and children, all to help pay for an extensive tax cut for folks earning over \$400,000 a year. It is about priorities, Mr. Speaker; and the priorities found in this budget, this budget as delivered this week by President Bush, are misplaced.

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

Mr. SCOTT of Georgia. Thank you very much, Mr. ROSS. It is always a pleasure to be on the floor with you.

There is so much we need to cover. Sometimes, you wonder where to really begin. But I think today we need to begin with what the President brought over here in his budget. I have had a chance to look at it, to go through it, and I am just astounded. I truly am astounded at the recklessness of the President's budget, at the irresponsibility of the President's budget.

Here we are at a time when this country is crying out for very serious attention in health care, especially health care for those at the lower income end and the middle class, and what do we get in the President's budget but a tax increase for the middle class in health care. What we get in this budget is a slash to Medicare and to Medicaid.

I want to go through it just very quickly so the American people and our colleagues who might not have had a chance to really get into this budget can see how surprisingly irresponsible this budget is.

The President's budget that he just sent to us slashes Medicare and Medicaid by about \$300 billion, at a time when Medicare and Medicaid are in greatest need, to slash those programs by \$300 billion over the next 10 years, with legislative and regulatory Medicaid cuts totaling about \$50 billion and Medicare cuts totaling \$252 billion.

And rather than using these monies to reverse the growing number of uninsured Americans, and, indeed, listen to this startling statistic, since President

Bush took office in the last 6 years, we have added an additional 6.8 million uninsured Americans. This is not a time to cut the basic government safety net program for insuring Americans when we are having more. This is why I say it is reckless. This is why I say it is irresponsible. And these monies are being offset, in his mind, by tax cuts to millionaires. It is totally out of sync.

The Medicare cuts include premium increases for millions of beneficiaries totaling \$10 million over the next 10 years. And at the same time the budget slashes Medicare funding, it protects special interests. Here is how: It leaves untouched massive overpayments by Medicare to HMOs under the GOP 2003 Medicare Modernization Act. And many of the Federal Medicaid cuts will simply increase State costs or lead to further restrictions in Medicaid benefits. Thus, instead of assisting State efforts to reduce the number of uninsured, the Bush budget will impede those efforts.

But in the area of health care, and I mentioned at the outset that there would be in here this hidden tax increase for the middle class. Here is where we find it. Under the President's budget, employee health benefits would, for the first time, be treated as income and would be subject to income and payroll taxes, just like wages. This is new, for the first time.

Listen carefully. At the same time, the President would create a tax deduction for health insurance of \$15,000 for families and \$7,500 for individuals. This proposal would fail to reduce the number of uninsured, and it would also mean a tax increase for millions of middle-class families who have employer-sponsored health insurance worth more than \$15,000. You have to really look at the fine print.

And also, because the new deduction would reduce taxable income, people's future Social Security benefits would be reduced as well; and, as many health experts have pointed out, the President's proposal would undermine employer-provided health insurance and would push people into the individual health insurance market, a market where insurers are able to refuse coverage to workers based on their health.

As Karen Davis, who is head of the nonpartisan Commonwealth Fund, pointed out about the President's proposal, it is not solving the uninsured problem and it is not solving the cost problem, so it is not really advancing what we need to have happen.

Here at the most basic need, where government and people need the help, soaring high health care costs, this budget not only fails but, to add insult to injury, adds a tax increase to the middle class in the process.

Mr. ROSS. I thank the gentleman from Georgia, a very active member of the fiscally conservative Democratic Blue Dog Coalition, Mr. SCOTT. I hope he will stay for the remainder of this hour as we discuss the President's budget for fiscal year 2008, as well as

the Blue Dog Coalition-endorsed House Resolution 97 to demand accountability on how the hardworking people of this country's tax money is being spent in Iraq.

Mr. Speaker, in the 6 years of the Bush Administration, the government has posted the highest deficits in the Nation's history. The administration has squandered the budget surplus it inherited, transforming a \$5.6 trillion projected 10-year surplus into a deficit of some \$2.9 trillion over the same period, a swing of \$8.4 trillion, based on realistic estimates of the cost of the President's policies. The President's new budget calls for a deficit of \$244 billion for 2007, and \$239 billion for 2008, marking 6 years in a row of deficits of more than \$200 billion.

This budget that the President delivered to Capitol Hill this week includes \$244 billion worth of hot checks for fiscal year 2008 and \$239 billion worth of hot checks for fiscal year 2009. Unbelievable, Mr. Speaker. That means that this Nation will continue to borrow about a half a billion dollars a day every day, Monday, Tuesday, Wednesday, Thursday, Friday, Saturday, Sunday. Every day, under the Bush budget, we will borrow over a half a billion dollars, and that is before we spend a half a billion dollars each day paying interest on the debt we have already got.

America's priorities will continue to go unmet until we get our Nation's fiscal house in order. Meanwhile, this budget continues to climb the climb of decline of our Nation's debt, which has already grown by \$3 trillion during this administration.

Put another way, this President, this administration has borrowed more money from foreign lenders, foreign central banks than the previous 42 Presidents combined. In fact, we had only borrowed \$623.3 billion in foreign holdings in 1993. Today, foreign lenders currently hold a total of about \$2.199 trillion of our public debt.

I was with the President at a meeting Saturday morning. The gentleman from Tennessee (Mr. TANNER) asked him about whether he believed borrowing so much money from foreign central banks and foreign investors was a security threat to our country. His response was that he didn't know how much money we had borrowed from foreigners.

So, Mr. Speaker, I hope the President is listening to us today, because, Mr. Speaker, I want to share with you, Mr. Speaker, what I refer to as the top 10 list. This is the top 10 list of the 10 countries that we have borrowed the most money from: Japan, \$637.4 billion; China, \$346.5 billion; the United Kingdom, \$223.5 billion.

Can I go back to China for a moment? You know, we don't do business with Cuba because they are Communist, and yet we do business with Communist China out of a spirit of international relations. And while we are all focused on the Middle East and what is going on in Iraq and Afghani-

stan, Cuba has hired China to drill for oil on their behalf 55 miles from Key West, Florida, when the United States does not allow drilling within 100 miles of Key West. Can you imagine that? And yet we have borrowed \$346.5 billion from China to give folks who live in this country who earn over \$400,000 a year a tax cut and to leave our children and our grandchildren with the bill.

I yield to the gentleman from Georgia.

Mr. SCOTT of Georgia. Will the gentleman yield just a moment?

On the issue of China and our lending, we are now in debt to China well over \$350 billion. Now just to show you why this debt in the hands of foreign governments is such a threat to our national security, just this example. China is now engaged with Iran in building a, supposedly building, a gas pipeline from China to Iran. The United States, in its efforts to tighten certain screws, economic and political, on Iran, in addition to the saber rattling we are doing, has begun to ask China if they would desist from that relationship. To this point, China has stonewalled; and in large measure it is because we don't have the leverage. If you owe me \$360 billion, that weakens my position.

The other area, in terms of our national security, is the situation in Iran as we are dealing with it, because that is in the news now. There are all kinds of questions and issues now of whether or not we are going to attack Iran, which is why we have got to hurry up and get our resolution passed and make sure that the President understands what article I, section 8 of our Constitution gives the Congress the extreme role, the exclusive role in determining the funding and the declaration of war in that regard.

But the whole reason why this whole funding operation puts us in a weakening position from our lending and our debt with our foreign countries is this: Iran has to depend upon a tremendous amount of lending from other countries to support them. It puts our Treasury Department, our Secretary of Treasury, our Secretary of State, and I plan to ask Ms. Condoleezza Rice tomorrow, we will have an opportunity to meet with her, this specific question. The fact that we need our partners, who we are working with, to stop lending to Iran, if we tighten that financial economic screw, that is how you avoid this unfortunate military clash that might be pending.

But the point I wanted to make is, as long as we are so overly dependent and have this indebtedness in the hands of the foreign governments, we lose the leverage we need to secure our Nation and to secure a better peace in the world.

Mr. ROSS. I thank the gentleman from Georgia. Point well taken. Thanks for sharing that with us.

Let me just round out the top 10 current lenders. These are the countries the United States of America is borrowing money from in order to provide

tax cuts for folks in this country earning over \$400,000 a year. That is in the President's budget. That is what he is proposing to do. Here is what he has done already.

In the past 6 years, our Nation has borrowed more money from foreigners than the previous 42 Presidents combined. Again, Japan \$637.4 billion; China, \$346.5 billion; the United Kingdom, \$223.5 billion. OPEC. And we wonder why gas was approaching 3 bucks a gallon in August. Our Nation has borrowed \$97.1 billion from OPEC to give folks who live in this country a \$400,000 tax cut.

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That is exactly what the President is proposing to continue. Mr. Speaker, I dare say that in this new Democratic majority, we will stop that.

Korea, \$67.7 billion. Taiwan, \$63.2 billion. If China decides to invade Taiwan, the gentleman from Tennessee, Mr. TANNER, has made this point before, our country and our fiscal house is in such a mess that if China decides to invade Taiwan, we will have to borrow more money from China to be able to afford to go assist and defend Taiwan.

The Caribbean banking center, \$63.6 billion. Hong Kong, \$51 billion. Germany, \$52.1 billion. A lot of discussion about our border, and I believe we must secure our border, but are you ready for this: the United States of America has borrowed \$38.2 billion from Mexico in the past 6 years to fund tax cuts for people who live here earning over \$400,000 a year, leaving our children and grandchildren with the bill, which is the very reason why our Nation today is in debt \$3,696,414,214,377.

That is a big number. How do you explain it? If you divide it by everybody that lives in America, some 300 million of us, every one of us owes \$28,900. I don't know about you, Mr. Speaker, but I can't afford to write a check for \$28,900 to the government. It is what we call the debt tax, D-E-B-T, and it is one tax that can't go away until we get our fiscal house in order and begin to meet America's priorities again.

Today, the money is going to pay interest on the debt, and it is going to borrow more money to fund the war that is costing us \$9 billion a month, again, a big number, break it down, \$12 million an hour. \$12 million an hour.

I yield to the gentleman from Ohio (Mr. WILSON).

Mr. WILSON of Ohio. Thank you, Mr. ROSS, and thank you, Mr. Speaker, for the opportunity to speak on the budget that has been sent to us just as recently as yesterday.

I was elected by the people of eastern Ohio and sent to Washington to try to bring a commonsense approach to what is going on down here. I must say that the budget that we received yesterday and have looked through today making different points, it is astonishing, the math that is used. The budget doesn't add up, the numbers don't fit together, the lack of real fiscal responsibility,

the tax increases on the middle class, the continued cutting of programs that are good for people, the lack of oversight over our war that is going on right now. It is frightening. It is frightening for everybody. There are several things that are wrong, though, that I would like to talk about.

As I said, the numbers don't add up; they just don't come together. There are assumptions that are made that are unrealistic, and it provides us with an opportunity for real failure, more so than we have now.

As Mr. ROSS recently indicated, we are near \$9 trillion right now in debt, and with everyone's share, with 300 million residents of America, we are looking at \$29,000 per person. That is man, woman, child.

Looking at this, it is unfortunate that under this budget proposal there are crucial investments that have been cut to programs that are important to people. For example, they are cutting commodities for seniors and people with low incomes and people who have disabilities, but yet we are making real strong assumptions on the scenario of what can happen for the right things to give more tax breaks.

I did an interview today, Mr. Speaker, with a newspaper in Ohio, and was asked, how will you pay to restore the commonsense benefits that are in this budget? Well, one of the ways would be to eliminate some of the tax breaks for the people who need them least, and this would certainly be a thing that we as the Democratic Blue Dog Coalition would be supportive of.

We need to look at common sense. We need to find ways, such as PAYGO, which we are putting forward, to say that no program goes forward for more spending, Mr. Speaker, without eliminating a program that is costing us in the present time. This is what PAYGO is about. It is a direction that our country needs. PAYGO stands for common sense, and that is really what we are trying to do.

When we look at this budget, we say that in the President's budget this time for the 2008 series, it is more of the same, that there has been no change. It takes many, many assumptions that it is going to be a best-case scenario. But when you really look at the numbers, Mr. Speaker, it winds up quite bad again.

We are moving in the wrong direction, doing the wrong things. The unbid contracts in the war, the situation that we have where money is being drained on a daily basis out of America, I can't help but wonder all the good that could be done if we had fiscal responsibility, if we had people that were looking at the realities of what this budget could do.

So I am confident as a new Democrat in this Congress that we are going to work hard to try to bring common sense to the budget to try to benefit the American people. This best-case scenario assumption is just not a fair way to go. It hasn't proven good in the

last 6 years, and I doubt very much it is going to prove good in the next 2 years.

I am happy to be part of the Blue Dog Coalition, to look for fiscal responsibility and fight for the rights of what should be done in America.

Mr. ROSS. I thank the gentleman from Ohio for joining us during this Special Order to discuss the President's budget, which has been delivered to Congress this week, as well as to talk about the War Accountability Act, House Resolution 97, to demand transparency, accountability and just good government, Mr. Speaker, in how we are spending the hardworking people of this country's tax money in Iraq.

There are a lot of misplaced priorities in this enormous budget. Here is the top ten list:

Number one, it includes tax increases for middle-class families.

Number two, it has cuts in it to health care and to seniors.

Number three, while it is very cold outside right now, while much of the country is frozen, if you will, Mr. Speaker, it cuts home energy assistance for those who need help the most with finding the money to afford to heat their home in the winter months.

After 5 years following 9/11, it has devastating cuts to police and firefighters.

In direct opposition to the wishes of the people of this country, here it comes again, it has a plan to privatize Social Security.

The President's budget includes cuts to veterans health care. At a time when we are creating a new generation of veterans coming home from Iraq and Afghanistan, the President's budget includes cuts to our veterans. We need to ensure that our veterans receive the health care they so desperately need.

I don't know about you, Mr. Speaker, but I get letter after letter and call after call from veterans who have to wait in line weeks and months at a time to be able to see a doctor. That is not the kind of health care we promised America's veterans. We should honor them by properly caring for them.

It includes cuts to education and cuts to housing assistance. And with Iraq veterans returning with devastating injuries, it includes cuts to the brain trauma research that is so desperately needed by many of these returning veterans from Iraq and Afghanistan.

President Bush's budget says a lot, but it does very little. It is filled with misplaced priorities. I will challenge you, Mr. Speaker, to read it for yourself, make your own decision.

As members of the Blue Dog Coalition, we are not here to beat up the President. He can't even run again. We are here to reach out across that aisle and work with him and work with the Republican Members of Congress, because the American people have sent a message very loud and clear, they want us to work together. That is what the fiscally conservative Democratic Blue

Dog Coalition is all about. We want to work in a bipartisan manner to put this Nation on a track toward a balanced budget, to pay down the debt, and to restore some fiscal discipline and common sense to our Nation's government.

Mr. Speaker, I yield to the gentleman from Tennessee, Mr. LINCOLN DAVIS.

(Mr. LINCOLN DAVIS of Tennessee asked and was given permission to revise and extend his remarks.)

Mr. LINCOLN DAVIS of Tennessee. Mr. Speaker, we often hear from our friends on the right that when the Democrats question the war or the strategy in Iraq, we are disheartening our troops and emboldening the enemy. I guess it doesn't matter that there are many Republicans who also ask the same questions about the war. This attempt by the right to use fear and shame to quiet the administration's critics is distasteful and, I believe, hurts America.

Those on the right who take the argument further, suggesting that folks who don't agree with the administration's policies and don't keep their views to themselves are being un-American, really saddens me. It saddens me because it seems like those on the right are trying to discourage the very actions that led to the founding of our Nation, the very actions that allowed the United States to continue evolving toward the never-ending goal of a more perfect Union.

Our country derives its strength from the diversity of views and ideas that come from its people. If one idea isn't working, then someone has the freedom to suggest another idea that is different and might yield different results. In my opinion, the ability of the American people to discuss differing ideas gives our Nation great strength.

Additionally, I believe that when Iraqi people see Americans exercising their right to freedom of speech, the Iraqi people are not disenchanted by their prospects, but rather they are inspired to have a country as free as ours. They see our freedom as a beacon of hope for what their nation could become some day.

Frankly, it is the freedom we enjoy here that scares the enemy over there so much, because they know that once the people taste freedom, they will demand it for eternity for themselves. So we should not stifle our freedom here for fear that it may be negatively impacting the war over there, which I seriously doubt it is.

Furthermore, if the actions of Senators of both parties and House Members of both parties embolden the enemy, then doesn't public opinion also embolden the enemy? Since polls show a large majority of Americans disagreeing with the administration's policy in Iraq, not the war, the administration's policy in Iraq, if this is the case, then why don't we see those on the right condemning the American people for expressing their views and emboldening the enemy? It is because

probably politically they know they can't criticize the American public. It is because it is easier to take pot shots at politicians than at everyday men and women in American society.

Additionally, if the actions of the Senate and the House and American public embolden the enemy, then I think we need to take a look at the administration. I quote: "Such statements give a morale boost to the terrorists," Iraqi Prime Minister Nouri al-Malaki, on remarks of the Bush administration describing the Iraqi Government as being on "borrowed time." In essence, the Prime Minister of Iraq is accusing our President of emboldening the enemy by making such a statement.

I contend that the American people love America, that Democrats love America, that Republicans love America and that President Bush loves America. I contend that we all love America, and that the discussion everyone is having on Iraq right now is not an extension of their love for America, because we all want what we think is best for the country. We want success and we want security. If only we also wanted civility in Washington.

I know that once folks cross into the District of Columbia or read about something in Washington, it seems there is something triggered in their brains and our rhetoric is raised to a sensational point. We need to stop and ask ourselves, is this rhetoric helpful to the end goal, or just hurtful?

There certainly have been plenty of failures in Iraq and there is plenty of blame to spread. We should have sent in more troops, some say. We should have not disbanded the Iraqi Army. We should have kept better track of how our taxpayer dollars were being spent. We should have squashed the militias before they built a strong following, some say, and on and on.

□ 1700

I will tell you who has not failed: Our soldiers on the ground. The American soldiers won in Iraq. They defeated Saddam's Army, deposed a dictator and tore down the statue. They gave the country to the Iraqis.

Sadly, in my opinion and many others, the leaders in Washington have failed our soldiers because those in charge of Iraqi policy have been weak in dealing with the new Iraqi government, have not pushed them to find political solutions to the problems they face. The lack of political structure in Iraq falls squarely on the shoulders of the war planners, and I for one will not let the reputation of our fighting men and women be tarnished by the miscalculations of those in charge.

The question now must be, what are the next steps to bring success and security? That is our goal, is success and security.

The Blue Dog Coalition has drafted a resolution that can help us along our goals towards success and security. House Resolution 97 would improve our

accountability in Iraq so we can make sure our taxpayer dollars are being spent wisely and going where they are needed to achieve success.

In my opinion, this resolution is the first step of many steps down the path to stability and success in Iraq. I, for one, stand with our military men and women, ready and able to walk down the path of success with them.

Thank you, Mr. Speaker.

Mr. ROSS. I thank the gentleman from Tennessee, an active member of the fiscally conservative Democratic Blue Dog Coalition.

And the gentleman is exactly right. As members of the Blue Dog Coalition, we are sick and tired of all the partisan bickering that goes on in Washington. As members of the Blue Dog Coalition, we don't care if it is a Democratic idea or a Republican idea. All we care about is, is it a commonsense idea, and does it make sense for the people who sent us here to be their voice? That is really what the fiscally conservative Democratic Blue Dog Coalition is all about: restoring fiscal discipline, accountability and common sense to our government.

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

Mr. SCOTT of Georgia. I thank you, Mr. Ross.

I just want to make clear, as colleagues are saying, and I want to make sure that this debate is within the right frame of mind. This is not a debate that is personally against the President. The President is a likeable person. It is just his policies. His policies are wrong for the American people. Even the American people are rising up and saying so.

We have, as Congress, the responsibility to respectfully disagree with the President. That is what we are doing. We are simply saying it is wrong to cut veterans', it is wrong to cut seniors' programs, it is wrong to cut education, it is wrong to cut the COPS program out, from getting folks in to be employed for first responders. It is wrong to cut homeland security. It is wrong to cut every single basic domestic program that is cut in this budget. It is wrong to do that.

It is wrong also for the President to say on the one hand that he is going to have a surge of 21,500 more troops, when, in fact, we now know that it is not 21,500. It is more like 48,000, according to the CBO that has just corrected that.

So when we have these kinds of situations, this is what makes this government what it is. This is what makes us the envy of the world. This is why we have this House. This is why we run every other year, why people hold us accountable, to come and to make sure that the voters and the people of America and their tax dollars, that we are good stewards of them. That is our responsibility.

And we have a right, more than that, we have a duty, to raise the tough questions and to hold the President's

feet to the fire when he comes with such a wrong-headed budget as this that goes right to the heart of where America is hurting. This is why we are here today, and this is why the Blue Dogs are offering this. This is why the Blue Dogs are also offering Resolution 98, to bring this fiscal accountability and financial accountability, to stop war profiteering, and to make sure the money goes to the soldiers so that we can take care of them while they are on the battlefield and to make sure we restore these cuts to make sure we take care of them when they come home. This budget doesn't do it, and it is our obligation to raise these questions and to make sure that this budget responds appropriately.

Mr. ROSS. I thank the gentleman from Georgia.

Mr. Speaker, if you have any comments or questions or concerns, you can e-mail us at BlueDog@mail.house.gov.

I yield to the gentleman from Tennessee.

Mr. LINCOLN DAVIS of Tennessee. I so often hear that cut and run is a strategy from Democrats. That is not the case. When we finished the war in 1945, military bases were established in western Europe, in Turkey and other places throughout the world. They are still there. As we finished our endeavors, as many people thought during the Korean War, our military bases are still located in South Korea.

We will never leave the Middle East, if the American people think that is the case. What we are talking about is being able to redeploy and do certain other endeavors that have not been done to make sure we win this war, win the peace, and have success in Iraq. We will be in the Middle East for a long, long time. My great-grandchildren will still see us be there. That is an area in which we have to defend America's freedom and liberty.

But we have got to take another look at having success, because what we are doing now is not having the success the American people demand, expect and we should have for them, and our troops deserve better than that.

Mr. Speaker, I yield back the remaining portion of my time.

PEAK OIL

The SPEAKER pro tempore (Ms. JACKSON-LEE of Texas). Under the Speaker's announced policy of January 18, 2007, the gentleman from Maryland (Mr. BARTLETT) is recognized for 30 minutes.

Mr. BARTLETT of Maryland. Madam Speaker, there are three different groups in our country and indeed worldwide at least for some of these issues that have common cause in campaigning for a reduction in the use of fossil fuels. These three groups come from very different perspectives, but as you will see from our discussions this evening they really do have common cause. Because to solve the problems

that brings them to this dialogue, all three of these groups are advocating essentially the same thing. That is, a reduction in our use of fossil fuels.

The first of these groups is a very large group which has genuine concern about national security interests. Probably 2 years ago now, or nearly that, 30 of our prominent Americans, Boyden Gray, McFarland, Jim Woolsey and 27 others, some of them senior retired military people, wrote a letter to the President saying: Mr. President, the fact that in our country we have only 2 percent of the known reserves of world oil and we use 25 percent of the world's oil, importing almost two-thirds of what we use, represents a totally unacceptable national security risk.

The President himself recognized this in his State of the Union a year ago when he noted that we get some of this oil from countries, as he said, that don't even like us very much. That is a bit of an understatement for some of those countries.

The next chart shows a recognition of this on the part of our Secretary of State. This was April 5 of last year. We do have to do something about the energy problem.

I can tell you that nothing has really taken me aback more as Secretary of State than the way that the politics of energy is, I will use the word, "warping" diplomacy around the world. We have simply got to do something about the warping now of diplomatic effort by the all-out rush for energy supply.

I am sure that in her head she had a mental picture of this really interesting map of the world. This shows what our world would look like if the size of each country was determined by its reserves of oil. And you can see how in America right here, tiny on this map of the world, we represent about less than 5 percent of the people of the world and we have only about 2 percent of the oil in the world, but we are using 25 percent of the oil.

Look how small we are. We would fit many times in Saudi Arabia. We are about the size of Qatar here. We would fit four times in Kuwait, if the size of Kuwait, if the land mass of Kuwait was relative to how much oil they have.

Russia up there, they are a big exporter now, but they can be a big exporter because they aren't using anywhere near as much as we have. You see Russia is two or three times as large as we are.

Well, that large community in our country which is genuinely concerned about national security interests understands our problems that come from this distribution of oil. Many of these oil reserves are in countries that, what we call the royal families. They are really dictatorships, aren't they? And Kuwait and the United Arab Emirates and Saudi Arabia. And then in Iran, that is run as a theocracy pretty much totally controlled by the Mullahs. And here we have Venezuela, a Communist state.

The President very wisely said in that State of the Union message a year ago that we are getting oil, many of the reserves are in countries that don't even like us very much.

Now, fortunately, our imported oil doesn't come from the mix as we see it here, because we are getting oil where it is cheaper to ship it and so forth. So a lot of our oil comes from Canada. They are pretty tiny in terms of total reserves, but there aren't many people there, so they are an exporter. We get oil from Mexico, and we get oil from Venezuela simply because of economics. It is just cheaper to ship it the short distances around the world.

So this is one group that has common cause in wanting to reduce our consumption of fossil fuels, particularly oil, because we are so dependent on the rest of the world which, as Condoleezza Rice says, presents a very real national security problem.

A second group that is interested in reducing our use of these fossil fuels, particularly oil, is the group that believes that, whereas the United States reached its maximum production of oil in 1970, that the world is about to approach that point now. And if you aren't concerned about national security risks and if you aren't concerned about climate change, which is going to be the third one that we talk about, you would really be concerned about oil if you recognized that there is not going to be enough of it in the future. It is going to be a real economic problem.

What we have here, it says here, the United States production Hubbert versus Actual. This is a report from CERA, the Cambridge Energy Research Associates, who were trying to point out that M. King Hubbert was not very accurate in his prediction of what the United States would do, and therefore you shouldn't take him very seriously when he predicted the world would be peaking about now.

The average person looking at this would say that they were kind of nitpicking, because this is the Hubbert's Lower 48 Projection, this yellow line here, and the red is the actual. And of course added to the Lower 48 was our big discovery in Dead Horse and Prudhoe Bay, Alaska, and our oil discoveries in the Gulf of Mexico. Well, I think that these two curves here run pretty darned close together; and for that growing community of people that have a genuine concern about the availability of oil in the future, this chart has real meaning.

I might look at the next chart here before we move to those who are concerned about climate change. This is a chart which presents the challenge that we face from what is called peak oil, and these bars here represent the discoveries of oil. You note that the big discoveries were back in the 1960s and 1970s; and ever since 1980, on average, the discoveries have been reducing, going down, down, down.

Now, anyone who has had any math and charting and so forth in school