

immense and his dedication and leadership is inspirational to all. For these reasons, it is appropriate at this time that we recognize Cliff Hartle for his meritorious service to the people of Napa and Solano County, California.

**JANE BRYANT QUINN DENOUNCES
MASSIVE TAX CUTS**

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 27, 2000

Mr. LAFALCE. Mr. Speaker, in this Congress and on the campaign trail, Republicans are amply demonstrating that they are the party of fiscal irresponsibility. The Republican congressional leadership and the Republican presidential candidate have cynically plied the slogan "its your money" to justify massive and wreckless tax cuts, most of which would go only to the wealthiest Americans. I submit for the record a recent column by the respected financial columnist Jane Bryant Quinn, which explains why it is so important to maintain budget surpluses and resist the political appeal of massive tax cuts.

**DON'T BE TOO QUICK TO DEMAND A FEDERAL
TAX CUT**

(Jane Bryant Quinn)

So you want a big tax cut because the government surplus is ours and we should get it back?

That's nice. But remember that the government's public debt belongs to us, too.

The debt grew over many decades, for spending we liked and spending we didn't like (lefties and righties, fill in the good and evil spending of your choice). Mostly, it grew during recessions and wars.

Today, there's a consensus that the total debt should be reduced. But how can we do that and get a big tax cut, too?

I have a modest proposal. It's inspired by those who argue for privatizing more of the government's functions. I propose that we privatize the debt.

We should all get big tax cuts. But each cut should be packaged with a proportionate piece of the public debt. That's the true libertarian way.

Do I hear you say that you don't want your piece of the debt on your personal balance sheet? You're for collective responsibility after all?

In that case, I have something else to say. It's in our collective interest that the government run surpluses today, rather than opt for big tax cuts or big new spending programs. These surpluses are our principal source of new investment capital for business modernization and growth.

To raise money to invest for the future, businesses have to draw on national savings. But on average, individual Americans aren't saving a dime. We're spending everything we earn (in some months, more than we earn).

So where are the new savings coming from, for business use? From the surplus. Few people

Here's how that happens, as explained by Nobel Prize-winning economist Robert Solow, in the Oct. 5 issue of the *New York Review of Books*:

In years when the government spends more than it collects in taxes, it borrows the extra money it needs from the investing public (U.S. and foreign individuals and institutions).

It borrows by selling us Treasury bills and bonds. When we buy them, money shifts from the private sector to the government sector, to finance public purchasing and programs.

Lately, the government has been collecting more in taxes than it needs to cover spending. The surplus reduces the need for debt. Some of those Treasury bills and bonds are being retired or redeemed.

When that happens, the institutions that own them have to replace them with something else. Often, they switch to corporate bonds (and perhaps some equities). So the money moves out of the government's hands, back into the private sector.

Running surpluses hurts an economy in recessionary times. But in prosperous times, it's a pro-growth, pro-investment choice.

Follow along with me here because this principle becomes central to financing Social Security and Medicare when the baby boomers retire.

Reducing the federal debt today—injecting more savings into the private economy—helps businesses buy more up-to-date equipment and take advantage of technological advances.

That makes workers more productive and raises their real incomes. As a result, they'll be able to cover more of the cost of supporting the older generation.

What's more, by working down the debt, the nation will have more room to borrow the money back, in the years when the boomers are straining the federal budget the most.

So we're choosing between using up this money now (in big tax cuts, higher spending and higher personal consumption) or investing it for the future. To me, that's a no-brainer. Invest, by paying down the debt.

**NECHES RIVER SALTWATER
BARRIER**

HON. NICK LAMPSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, October 27, 2000

Mr. LAMPSON. Mr. Speaker, I would like to call to your attention the groundbreaking of a very important project based in Southeast Texas, the Neches River Saltwater Barrier. This barrier is critically important in protecting over 150 billion gallons of water per year from saltwater contamination.

Saltwater threatens the freshwater intakes of lower Neches cities, industries and farms by moving upstream from the Gulf of Mexico through the deepwater channel to Beaumont. If downstream flows are insufficient, saltwater moves upriver and the lower Neches Valley Authority (LNVA) must take measures to protect the intakes.

As part of the Greater Houston area, the lower Neches River and Neches-Trinity Coastal Basins are characterized by moderately dense populations; a heavy petroleum and petrochemical industry; a hub of highway, rail and deep-water transportation facilities; and a major rice-producing agricultural industry. The well-being and prosperity of all of these interests are dependent on an abundant supply of freshwater.

Mr. Speaker, the Neches River Permanent Saltwater Barrier Project has become a reality. The Project, authorized by Congress in the

Water Resources Development Act of 1976, provides benefits for salinity control, water supply, navigation, fish and wildlife enhancement, and recreation. The Lower Neches Valley Authority has worked hand in hand with the U.S. Army Corps of Engineers, Galveston District, bringing the project to fruition, and I commend them both.

The waters of the Neches River are used extensively for municipal, industrial and irrigation purposes and other water supply needs. These uses require an adequate supply of high quality water. During periods of low river flow, the saltwater travels up the river and if allowed to enter water intake structures, can cause damage to crops or contaminate water meant for consumption by humans or livestock. Traditionally, during these periods of low river flow, water has been released upstream from Sam Rayburn to "flush" the saltwater entering LNVA and City of Beaumont freshwater intakes.

The new barrier will permanently replace the temporary structures and be operated such that the gates will be open 99% of the time and closed only on those occasions when the saltwater wedge makes its way up the Neches River to the project vicinity.

At this time, I'd like to commend LNVA and the Corps. The Lower Neches Valley Authority has been an unusually committed, responsible, and cooperative local sponsor. They have worked tirelessly with the Corps of Engineers and Congress over the last several years towards completion of the saltwater barrier project and are deserving of much praise.

PERSONAL EXPLANATION

HON. JIM TURNER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, October 27, 2000

Mr. TURNER. Mr. Speaker, on October 18 and October 19, 2000, I was not able to vote on roll call votes No. 531–540. Had I been present, on roll call No. 531, I would have voted "yea." On roll No. 532, I would have voted "yea." On roll No. 533, I would have voted "yea." On roll No. 534, I would have voted "yea." On roll No. 535, I would have voted "yea." On roll No. 536, I would have voted "yea." On roll No. 537, I would have voted "no." On roll No. 538, I would have voted "no." On roll No. 539, I would have voted "no." On roll No. 540, I would have voted "yea."

**MEMORIAL TRIBUTE TO ILLINOIS
REPRESENTATIVE SIDNEY RICH-
ARD YATES**

HON. DAVID MINGE

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 27, 2000

Mr. MINGE. Mr. Speaker, serving a region as ethnically diverse as Illinois' Ninth Congressional District is no easy task, but it is one Representative Sidney Yates attacked with vigor, insight and dedication for close to 50