In China alone, 14.5 percent of the deaths are attributable to tobacco. What is dramatically different in China is that in other developed countries with a similar rate the number of smokers is growing rapidly, such that two-thirds of the men are smokers before the age of 25. Few quit and about half can be expected to be killed by tobacco. In practical terms, this means in China the number of male deaths alone from tobacco is expected to be roughly 3 million annually by the middle of the century.

Mr. Speaker, it is sad to me that after decades of deception and death that we are starting to turn the corner in this country where we have hundreds of billions of dollars in tobacco settlement that is available only after litigation. It is something that this Congress was unwilling or unable to correct to try and help reduce the number of new addicts and victims. It has opportunity to help not just the people who are addicted to tobacco but to help change the patterns in this country, like we are doing in Colombia to help farmers be involved with productive crops that are not destructive crops.

There are some states that have used tobacco settlement money to do that. Like Maryland, I would hope that this Congress would not reverse course, that it would not start promoting the use of our tax dollars to promote the sale of tobacco overseas, but keep our eye on our priority, which is to reduce dependence on tobacco, help wean the American farmer away from dependence on tobacco, use our resources to stop the destruction of death and disease around the world.

It would be ironic that a Congress that is working to stop these abysmal practices in Colombia with addictive drugs, that is trying to fight the spread of HIV AIDS around the world, would take a tragic step backward.

There was an attempt to insert in the agriculture bill an amendment that would reverse this 8 year prohibition on using U.S. resources to promote subsidization of tobacco sales overseas. Wisely, the Committee on International Relations, on a broad bipartisan vote, voted to remove those provisions from the agriculture bill.

I hope my colleagues will stand firm. Keep the existing policies. Stop the export of death overseas with tobacco.

DEBATE ON THE BUDGET SURPLUS

The SPEAKER pro tempore (Mr. Johnson of Illinois), Under the Speaker's announced policy of January 3, 2001, the gentleman from North Carolina (Mr. Ballenger) is recognized during the morning hour debates for 5 minutes.

Mr. BALLENGER. Mr. Speaker, I have a strange problem with the way we are talking about our present debate on the surplus. For 30 years, 40 years we never worried about the surplus. We never had a surplus and we spent it all. So, here now, we are about to have a nervous breakdown on whether we are going to have a $150 billion surplus. Oh, my goodness gracious, only $150 billion, my, how can we possibly get along there?

What we really should be worrying about is, we are having a manufacturers' recession right now. Why? Well, as a manufacturer myself, and I checked with businesses back home, the main problem we have got is our dollar is the most overvalued currency on the planet today.

You should be a tourist traveling anywhere in the world. Everything seems cheap. The reason it is cheap is because our dollar is worth so much more than the value of currency of the place you are visiting. If we could do something to reduce this I think we would accomplish something, but we cannot compete with anybody in the world at the present time with the dollar as long as it continues to be the most expensive currency in the world.

Let me give some examples. After the earthquake in El Salvador, some of my friends there approached me with the idea that they need to by timber. They bought all the two by fours that were available as far as they were concerned in Central America, and so I called up some friends of mine down in North Carolina and asked them about what kind of a deal can you give me on 14 foot and 12 foot two by fours, and they said, Cass, well, the lumber market is terrible now but we will see what we can do.

These numbers are not exact, but they will show what I am talking about. This gentleman down there offered me something like a container load of two by fours, mixed 12 and 14 feet, for, say, $4,000 for a container. I checked with a real large timber firm down in Louisiana and theirs was $5,000 a container. So I figured I had a pretty good price.

So I called back my friend from El Salvador, and I said I think I have got a good deal for you here, let us see if we cannot negotiate. He said, well, what is your price. I said the deal we
have got is $4,000 a container, and he said, well, thanks a lot, Cass, but we just bought Canadian and we got it for $3,000 a container.

I went back to my friend down in North Carolina who had offered me this great, wonderful deal, and I said, I am sorry but you got beat. He said, Cass, I hate to tell you this, but it is happening everywhere; we quote in competition with the Canadians. He said, first of all, you have got to realize that our dollar, as compared to their dollar, is worth sixty cents of our dollar. In other words, for $60 you can go out and buy $100 worth of Canadian dollars. Now, that is a wild and funny way to look at it, but in reality that is the way it works.

So just lately I checked on woodchips. In North Carolina we used to clean our currency to up and we would chew all the wood up into woodchips, carry it down to our coastline and ship it all over the world. I do not know whether Mother Nature greatly appreciated what we were doing, but we were chewing wood up and shipping it out. Everybody in the world wanted them, and all of the sudden we find out that in Australia they have come up with a better way of doing it and their money is cheaper than our money, and so our woodchip business is gone.

I do not know how many people have talked to the steel industry. The steel industry in this country is noncompetitive. They are getting dumped on, as they say, because of the inability to meet the costs that the other countries have for their manufacturing costs, but in reality, the whole thing hangs on a more expensive dollar, and let us be honest.

The more we balance the budget, the more surplus we generate, the more popular our currency becomes to the rest of the world. So what do they do? They decide to come here and buy our bonds, they buy more bonds and they buy more bonds, and pretty soon, the dollar becomes more valued. I do not know how many of you ever watch it in the market and so forth, but the dollar goes up, the yen goes down; it is all a very clean, very smooth, very orderly process.

So it seems that they are going back on their promise, are they not? We were going to have a lock box. They made a great show of voting on the lock box in the Clinton administration, but now with the Bush administration all things are changed.

It really doesn’t matter whether we spend the Social Security surplus, that money intended for the trust fund for future retirees, today because the administration changed, nothing else changed. We had all those votes to create the lock box, but suddenly the lock box isn’t so important anymore, not as important as tax cuts.

Make no mistake, the tax cuts are the thing that are putting us in the hole. The Federal Government is borrowing, the money to send out those rebate checks, which are against this year’s estimated surplus which does not exist but is calculated on your last year’s income. Follow that? Okay. What it means is cash that is borrowed, cash that will have to be borrowed.

So this is the bizarre situation we find ourselves in. The Republican majority after touting lock boxes and saving Social Security and Medicare for so long, in their rush to please their constituents, decided it was more important to maintain the integrity of the lock box, to maintain the integrity of the lock box, but suddenly the lock box isn’t so important anymore, not as important as tax cuts.

The surplus he talked about is the Social Security trust fund. It is raised through an unfair, flat, regressive tax capped at $80,000 a year income. So the rich people are not putting in a penny over the little bit they pay on their first $80,000 of income. Most working families are paying more in Social Security taxes than they are in income taxes to the Federal Government. In fact, we are not getting back a rebate because of that fact, but they do not mind too much because they know their money is going in the lock box created.

The tax cuts are the thing that are putting us in the hole. The Federal Government is borrowing the money to send out those rebate checks in order to not break into the lock box. The surplus he talked about is the Social Security trust fund surplus. He would be reserved to pay the benefits in the future. In fact, as recently as July 11th, House majority leader, the gentleman from Texas (Mr. ARMEY), said we must spend the Social Security and Medicare surplus, that money intended for the trust fund for future retirees, today because the administration changed, nothing else changed. We had all those votes to create the lock box, but suddenly the lock box isn’t so important anymore, not as important as tax cuts.

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Now, what is in the lock box? Oops, well, not much money. There is something in there, though. Good. I owe you $9 billion, signed Secretary Paul O’Neill, Secretary of the Treasury for George Bush, President of the United States.

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