

HOUSE OF REPRESENTATIVES—Tuesday, September 11, 2001

The House met at 9 a.m.

MORNING HOUR DEBATES

The SPEAKER. Pursuant to the order of the House of January 3, 2001, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning hour debates. The Chair will alternate recognition between the parties, with each party limited to not to exceed 25 minutes, and each Member except the majority leader, the minority leader or the minority whip limited to not to exceed 5 minutes, but in no event shall debate extend beyond 9:50 a.m.

The Chair recognizes the gentleman from Oregon (Mr. BLUMENAUER) for 5 minutes.

TAKING ACTION TO PROTECT HEALTH

Mr. BLUMENAUER. Mr. Speaker, this Congress is taking action to help protect world health in the fight against HIV AIDS.

In Colombia we are spending over a billion dollars to fight the grip of the deadly coca trade that includes eradication of the coca plant and aid to farmers to attempt to shift their production.

I find it ironic in the midst of this action by Congress that there are some that would have us reverse a long-standing policy and start promoting the sale of American tobacco overseas. Tobacco is the only legal product which, if used properly, will kill or at least inflict serious bodily damage.

The effects on Americans are clear to most policy-makers. Close to 360,000 Americans will die of lung disease this year. It is the third largest cause of death responsible for one in seven deaths. More than 25 million Americans are now living with chronic lung disease, and the use of tobacco is the leading cause in that condition.

Sadly, the impacts of tobacco-related lung disease is not limited to the United States. Tobacco was estimated to account for just over 3 million annual deaths worldwide in 1990, and that is rising to over 4 million deaths currently. It is estimated that tobacco attributable deaths will rise to 8.5 million within the next 20 years and 10 million in about 2030.

According to the World Health Organization, while tobacco use is actually declining in many developed countries, it is increasing rapidly in those that are developing.

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 abusive 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 Speak-

er's announced policy of January 3, 2001, the gentleman from North Carolina (Mr. BALLENGER) is recognized during 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 needed to buy two by fours. 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 foot, 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

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

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 forests 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 these chips up and shipping them 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, and 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, the pound goes down, the mark goes down, and here we are becoming less and less competitive and laying more and more people off because of it.

I would like to give an example. About 2 months ago, a group of us traveled from Brazil to Argentina to Chile. In Brazil, business was pretty good. We did not know specifically why. We went to Argentina after that, and Argentina had dollarized their currency. They tied their currency to the value of the dollar, and this was a great and wonderful idea to stop inflation, and they did. But the Brazilians devalued their currency and killed whatever industry that they had in Argentina. This is exactly the way the system works.

It is great if you are a tourist and can go anywhere in the world and buy

everything you know cheaper, but in reality, somewhere along the line we have got to see what we can do.

This is kind of a strange request that I am making, but I think probably the best thing we can do is spend more of the surplus and then people would say, hey, they are not quite as chancy with their money as we thought. So maybe we ought to buy some German marks or some British pounds and so forth and quit investing in American dollars. This may sound weird, but most of the folks in this room do not know any better. So I would like to sound weird and hope that we can influence somebody.

BROKEN REPUBLICAN PROMISES TO SAVE MEDICARE AND SOCIAL SECURITY SURPLUSES

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

Mr. DEFAZIO. Mr. Speaker, it all depends upon how we define a surplus, and for quite a few years around here I was one of the Members who advocated that we should not be including the excess taxes charged to Social Security or to people for Social Security, FICA taxes, as part of the so-called surplus, spending it and replacing it with IOUs.

In fact, I found considerable support over the last few years on the Republican side of the aisle on this issue, which I found encouraging. In fact, the House Republicans have voted nearly unanimously seven times, seven times since 1999, to protect both the Social Security and Medicare surpluses by creating a lock box. We put it in a lock box, not once, not twice, seven times, seven padlocks, many different combinations.

Social Security and Medicare trust fund surpluses are safe. They 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 understand that it is inviolate, you might have trouble following this but I will get to the point, to intrude either against Social Security or Medicare, and if that means foregoing or, as it were, paying for tax cuts then we will do that. He said he wasn't going to spend the money, and in fact, they might forego tax cuts in order to not break into the lock box.

Good news. Well, that was July 11. It is now September. How much things have changed.

The new Congressional Budget Office estimates, the Congressional Budget Office is headed by a Republican appointee, says that the surplus for the next nine years is 2.2 trillion, T, trillion, not billion, not million, trillion dollars less than projected last May.

Remember the rosy scenario, oh, pass the tax cuts today and do not worry about it, there will be so much money, be floating in money, we can still maintain the integrity of the lock box, Social Security, Medicare and we can increase military spending and we can do all these things and there will still be surplus. In fact, the gentleman from North Carolina (Mr. BALLENGER) that preceded me in the well talked about the surplus.

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, many working Americans 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.

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

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, 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 the check quickly. It might bounce soon.

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 wealthy benefactors and pass a massive \$2 trillion tax cut, particularly heavily oriented to those who earn over \$273,000 a year and estates over \$5 billion, they have already frittered away the surplus, and things look even more bleak for the future.

They are depositing IOUs back into the Social Security trust fund, spending the money today, now that it is