

bipartisan basis to double the budget of NIH. But they also made it clear that the doubling of the budget wasn't simply a one-time target; it was the beginning of the process at the National Institutes of Health, at the National Institutes of Medicine.

They also noted when we decided to double the budgets at the National Institutes of Health, we did it at a cost to the physical sciences, that the physical sciences also had been lagging. It is interesting we see after now having achieved the bipartisan goal of doubling the budget of the National Institutes of Health, we see in the President's most recent submission a diminishment, a cutting of that budget of the National Institutes of Health while the President is talking about increasing the physical sciences, the budgets of the National Science Foundation and the other governmental research.

This cannot be a rob-Peter-to-pay-Paul effort. It cannot be that. This cannot be done by robbing the physical sciences to help the life sciences or robbing the life sciences to help the physical sciences. A great country must make advances in scientific discovery in all of these fields; and clearly, clearly, that needs to be done if we are going to attract private capital to partner up with the Federal dollars in the basic researches across the agencies of this country.

We also talked with them about what would be the driver of much of the new innovation, what would give them a task which would generate new scientific discovery and innovation; and many of them said we have got to deal with the energy problem in this country. The technology is a big part of America becoming more energy independent and trying to achieve a sense of energy independence over the next 10 years in alternative fuels, in alternative technologies, in alternative energy sources, rather than simply relying on the fossil fuel policy of the current administration and the current budget of this country. Those kinds of investments in energy.

They also thought we should try to recreate a long-term, high-risk, high-reward research facility within the Department of Energy so people could go out on the edge again of the kind of knowledge that had to be acquired if we are going to achieve the goal of energy independence. But, once again, you don't do it on a nickel-and-dime policy. You have to make a sustained major commitment.

When you double the budget of the National Institutes of Health and you are looking for the kind of research that is so critical to preventative medicine, to dealing with the new communicable diseases that are traveling around the world and the health care of this country, you have to make a sustained investment. If you are going to do it in the physical sciences, you have to make a sustained investment.

So that is what my colleagues and I would like to talk about, how America

turns to the next generation and provides them the promise and investment in their talents, their skills, and their future. We think we can do that by looking at what has led to this American model of success.

We will also talk about the fact that this model is under challenge from countries in Asia, from India, from China, from Korea, from Japan, from Taiwan; that the idea that America is number one, the position we hold in the world today, in innovation, in Nobel prizes, in patents issued and copyrights, that that is not a position that is ours by birthright. It came because of the investment and the hard work.

That is now being challenged from all across the world. People are now able to take the American model and leapfrog it because of the technologies, because of the scientific discovery that we have made.

I see one of my colleagues from New Jersey, Mr. RUSH HOLT, who participated in the drafting of the innovation agenda for the Democratic Caucus, an agenda that has received wide acclaim from the private sector in terms of our ability to go forward again on a new and higher level of sustained effort at scientific discovery and innovation and economic growth.

I am delighted to the yield to the gentleman.

Mr. HOLT. Mr. Speaker, I thank the gentleman for yielding.

When we held our meetings around the country with entrepreneurs, with business leaders, with scientists, with researchers, we found much to be optimistic about. We are in many ways still the powerhouse for new ideas, for innovation; but the indications are all pointing in the wrong direction.

You do not have to look very far in my district, and I am sure in yours and just about every district in the country, to find people who are worried about outsourcing. Jobs, indeed, are going overseas, the kinds of jobs we would like to keep here.

You can go to almost any university, and you will find that what used to be the destination of choice for bright students around the world, they wanted to study in the United States, it is not so true any more. Yes, we have good universities, but the signs are pointing in the wrong direction.

What was known over the centuries as good old American know-how, where really every American, every shopkeeper, every farmer, every manufacturer was something of a scientist, they took their education seriously, well, the signs are pointing in the wrong direction now.

Our kids are not competing as well in international comparisons. The President stood in this Chamber a couple of weeks ago and said it is time to make a commitment to research and development, to science education. Then a few days later he presented the budget. In real terms, the Federal R&D portfolio, research and development spending,

will decline under the President's budget.

Mr. GEORGE MILLER of California. If the gentleman will yield on that point, the gentleman was part of this and we traveled to North Carolina and to New Jersey and to Boston and to California and Seattle talking to people about this innovation agenda; and when we put the innovation agenda together, so many CEOs and venture capitalists and others said this is it, you are exactly on the right track, this is what America needs.

It was interesting to see the President come forward in the State of the Union as you mentioned and embrace the innovation agenda, many components of this effort. Then it was so disappointing to see the budget that was published afterwards, and even more disappointing when the Republican leadership slammed this innovation agenda as just simply more spending, when in fact the President mirrored what was in our agenda right down to switch fuels.

Mr. HOLT. That is right. The President embraced much of this. This need not be, should not be, a partisan matter. We are presenting tonight something we call the Democratic Innovative Agenda. It doesn't have to be the Democratic Innovative Agenda. We are presenting it because for 5 years it hasn't been presented. It is because these things need to be done. These entrepreneurs, these venture capitalists, these researchers that we have been meeting with said, please do it; it is not getting done.

So we are presenting it, and I guess I would even challenge the majority to take this issue away from us if they only would. But in fact we have the budget in front of us. The President's budget, as I say, not only reduces research and development spending in total, the NIH budget in real terms will decline for the third year in a row, and math-science partnerships at the National Science Foundation zeroed, zeroed out.

How in the world are we going to grow the kind of innovative economy that we want, that we need, that we used to have, if we are cutting the National Science Foundation?

Mr. DELAHUNT. If the gentleman will yield for a moment, I want to welcome Congressman MILLER and Congressman HOLT to the 30-Something Group. The two of you have created, of course, a new definition of the 30-Something Group, but we will let that pass for the moment.

□ 2045

I think it is important to frame the issue that we have, you or Congressman MILLER, detail for those of us here and those who are watching the international comparisons that you have expressed a concern about. Because I think we all hear terms like the global village and the global economy, and I think we recognize that that is the reality. But I know I hear figures, for example, where China is going to graduate a multiple of four or five times

Mr. RYAN indicated, it is going elsewhere, and it is going to feed that corporate welfare that is eating the budget, along with tax cuts for the most affluent of America.

Mr. MEEK of Florida. Mr. Speaker, could you say that again just in case a Member might have walked into his office and walked away?

Mr. DELAHUNT. Well, there is only so much money. The pie is not infinite, and the pie gets bigger around here because this administration and this Congress authorize the borrowing of money that we will have to pay back in the future with interest to China, to India, to the OPEC nations, and to other investors.

So there is nothing left, other than the rhetoric that we hear, to invest in the priorities that we believe the American people would embrace such as innovation. Let me just cite one example, if I can.

This is a report by The Washington Post less than a month ago, and remember, Democrats have had nothing to do with this because we are barred by Republicans from participating in the behind-closed-door negotiations to establish those priorities. Think of what a democratic process that is. Let me read to you:

“House and Senate GOP negotiators, meeting behind closed doors last month to complete a major budget-cutting bill,” this was their effort to save money, “agreed on a change . . . that would save the health insurance industry \$22 billion over the next decade, according to the nonpartisan Congressional Budget Office.”

□ 2115

One version would have targeted private HMOs participating in Medicare by changing the formula that governs reimbursement, lowering the payments to those insurance companies by \$26 billion over the next decade. But after lobbying by the health insurance industry, the final version made a critical change that had the effect of eliminating all but \$4 billion, according to CBO.

In other words, they turned around and said we apologize to those HMOs, those insurance companies, and we will give you back \$22 billion of the \$26 billion, and we will not let it happen again. Think of what we could do with that \$26 billion in terms of innovation.

Mr. HOLT. My colleague from Florida mentioned George Lucas, the writer, director, producer of Star Wars, who was here yesterday to talk about this Democratic innovation agenda. The point I wanted to emphasize is we are not just talking about government spending, we are talking about investing so that innovators like George Lucas, and you might say that is just entertainment. Well, that is innovation. It makes money for the United States. In fact, he probably has done more for our balance of trade than any other single individual you can name.

But he was asking us to train the bright kids, the scientists and engi-

neers that he needs. He was asking us, as we lay out in our innovation proposal, to reward risk takers and entrepreneurs, to protect intellectual property, to do those things that make it possible for innovators to succeed in the United States.

So it is not just about spending. The innovation creates the agenda, it creates the atmosphere as well as the pipeline for that innovative economy that we are talking about. That is what George Lucas was saying when he was here yesterday.

Mr. MEEK of Florida. He was not asking, he was literally begging for the Congress to work together in a bipartisan way to make it happen. Just the day before he was with us, the President gave him the National Technology Award. We are talking about walking the walk, not just talking. The bottom line is he came and he understood. We were committed prior to the technology award being awarded.

We have a chart before Mr. DELAHUNT, and it is one thing for us to let the Republican majority know what they can do if they really want to do it. It is another thing for us to break it down. I want to make sure that the American people understand that we are about making something happen. Regardless of who gets the credit, we are working on behalf of the American people and the American spirit, taking from Mr. HOLT and what he says all the time. That is what took us to the moon. That is what brought us up front as it relates to innovation and inventions, being the first.

Mr. Speaker, I yield to Mr. DELAHUNT.

Mr. DELAHUNT. Let me refer to this chart. I think it is very telling. How can we afford those tax cuts that are trillions of dollars at this point in time, particularly if they ever became permanent.

Mr. RYAN of Ohio. Tax cuts for the wealthiest 1 percent of the people in the whole, entire country.

Mr. MEEK of Florida. Do not leave out the oil industry.

Mr. DELAHUNT. I will not leave out the oil industry or the pharmaceutical industry. We just heard what happened behind closed doors. But how are we affording to do that and at the same time ignoring the kind of initiatives that are embraced in this project for innovation that we have been discussing and that the President speaks about but does not fund.

Let me tell you how we take care of the corporate welfare program and how we take care of those tax cuts. We borrow or they borrow. The Republican majority borrows the money. I think it is particularly dangerous to do that not just because it will create deficits that could very well implode our economy and reduce the United States in terms of its economic capacity and future, but in addition it is dangerous because from whom do we borrow this money?

As of November, 2005, this is what the chart reveals: \$682 billion from Japan;

\$249.8 billion from China; and yesterday we had a hearing in the International Relations Committee that discussed, and the Republican chairman and others that were clearly from the right of the political spectrum were describing China as a potential enemy and adversary, and yet we are borrowing money from the Chinese to support tax cuts for wealthy Americans.

Mr. HOLT. Could the gentleman tell us, if the Republican budget is carried out this year, how much more we will have to borrow in the next year? I can tell you it is going to be about \$400 billion, added to various columns on your chart there. Some of it will be borrowed here in the United States, but a large number of dollars will be borrowed from Japan, China, U.K., Caribbean countries, Taiwan, OPEC, and Korea, as you show here.

Mr. DELAHUNT. I find it particularly interesting that we are borrowing money from OPEC. Not only are we purchasing oil from OPEC, but we are borrowing money from OPEC. And yet to hear the rhetoric in this Chamber and our committee rooms about OPEC, one would consider them, well, to use George Lucas, the Darth Vader of the international order in terms of its impact on America. Mr. Speaker, we have borrowed, we owe them almost \$70 billion. What are we doing?

Mr. RYAN of Ohio. If the gentleman would yield, I want to make a point that we have kind of left out when talking about technology. We talk about the \$682 billion from Japan and the \$249 billion from China that we are borrowing.

Earlier in the evening, we talked about the 600,000 engineers that are going to graduate in China. They are taking, they are basically lending us money, we are paying them back with interest, and they are investing that money right here to train engineers to the tune of 600,000 a year.

Do you think these engineers are working just in private industry in a communist country? No, they are working for the Chinese military. They are working on the next-best technology that the Chinese military, their communist government, could maybe put up possibly in the international community. We are funding our own enemy's military because we are fiscally reckless here at home.

Mr. MEEK of Florida. Mr. Speaker, I want to thank the gentleman for pointing that out.

I have a picture here of Secretary Snow, appointed by the President and confirmed by the Republican Senate. I think it is important to understand, when you start talking about what is going on, how we are borrowing and how they are out of control on the Republican side. Here is a blown-up letter dated December 29, 2005, literally the Secretary of the Treasury begging that we need to raise the debt limit because we will be able to continue to finance government operations. This is not

are a lot of people that can use this; but unfortunately, the budget the President has submitted to Congress today, we had Mr. Leavitt, Secretary of Health and Human Services today, he let us know that they are proposing to cut blood research by \$20 million. At this time of the most rapid time of potential scientific growth, when we have mapped the human genome, when we could be looking at the dawn of medical technology, that we could make penicillin look like a small investment, they want to cut medical research.

Mr. HOLT. Mr. Speaker, if the gentleman would yield, just on that subject very quickly, the budget that the administration that President Bush presented to us a week or so ago cuts the funding in 18 out of 19 institutes at the National Institutes of Health, including the National Cancer Institute by \$40 million and the National Heart, Lung and Blood Institute by \$21 million.

Mr. INSLEE. Mr. Speaker, I will just mention my other constituent who is a friend of mine. I will just call him Bill. He is a 55-year-old guy, great guy, plays basketball. He had prostate cancer. He is being treated now with new technology developed, again, in Seattle, bragging about the hometown team a little bit here, about three or 4 years ago. We hope things are going to go well.

We have rolled out saying we should accelerate our budget for research into cancer because we are on the cusp of some major breakthroughs, principally because of our genetic development to map predisposition and risk factors to this regard. But what does the President's budget want to do? They want to cut \$40 million out of the cancer budget for research this year, \$40 million. They want to cancel 634 grant programs now existing for research in some of these emerging fields.

Mr. RYAN of Ohio. Mr. Speaker, would the gentleman yield for just 10 seconds. This is at the same time that this President and this Republican House and the Republican Senate have the political gumption to give \$16 billion in corporate subsidies to the energy companies and billions upon billions of dollars in corporate welfare to the health care industry and the pharmaceutical companies, at the same time they are cutting these programs.

I just want the American people, Mr. Speaker, to be aware of what is happening here. They are not just cutting this stuff because we are in tight fiscal times. They are cutting it, and at the same time giving corporate welfare to the tune of billions upon billions upon billions of dollars to the wealthiest industries in the country, to the most profitable industries in the country.

Mr. MEEK of Florida. Mr. Speaker, I just want 10 seconds, too.

The Republican side says, trust me. I guarantee you that the President cannot do it by himself. He needs this Republican Congress to do it, and they have given him everything that he has

asked for. This President, who is so-called conservative, oh, we want to watch spending, has not vetoed one spending bill. This is the biggest borrow-and-spend administration almost in the history of this country. Here is the chart to prove it. It is. The President, not by himself, his picture is here. We should have the Republican Conference here because they helped him make this history. Unfortunately, it is bad for Americans.

There was \$1.05 trillion borrowed from foreign countries, \$1.05 trillion that he has done and accomplished in 4 years. Forty-two Presidents, including his father, were not able to accomplish that goal.

Mr. DELAHUNT. Combined.

Mr. MEEK of Florida. They borrowed \$1.01 trillion, World War I, World War II, Korean War, Great Depression, and every other issue that we had facing the country, economic slowdowns, what have you, gas prices, what have you, were unable to borrow from China, Saudi Arabia and other countries.

So when we talk about the will of this administration and what they are doing and what the President says and they do another thing, he cannot do it by himself. He needs this Republican majority, and that is the reason why the American people, Mr. Speaker, have to make a change in providing the kind of leadership that they need in this Congress to make sure that they are represented.

So I am so glad that the gentleman from Washington (Mr. INSLEE) is here because you represent the very people, they are in your district, that are talking about innovation. Mr. RYAN read it off. These are statements that these CEOs have made. They are literally begging. They are saying we hope y'all work together. We had the creator of "Star Wars" here the other day. He said I hope y'all get together; you are talking about the same thing.

The difference between what the Republicans are saying and what we are saying, we actually mean it. We will do it if given the opportunity. They are in control. They have the majority. They agenda the bills before committee.

I am sorry, but we both asked for 10 seconds and we took 20.

Mr. RYAN of Ohio. I only took 15 or 20 seconds. You took a minute and a half.

Mr. MEEK of Florida. I will admit to that.

Mr. RYAN of Ohio. For the record.

Mr. INSLEE. Mr. Speaker, just on that note about the difference between rhetoric and reality, it can be pretty stunning here in Washington, D.C.

The President said something that was a profound shift from his policies of the last 5 years when he said that the Nation had to break our addiction to oil during his State of the Union speech, which was amazing for him to say because every policy that he has championed up to now has continued that addiction to oil. Nonetheless, we welcomed it. We always welcome him

to take lines from our speeches, and we hope that it could be mean a real shift in policy.

Unfortunately, the very week that the President said we needed to break our addiction to oil and said we needed to do more research into new energy technology, the same week he said that, his administration gave the pink slip to 100 researchers at the Renewable Energy Lab in Colorado, the very sort of warriors that we expect to help us develop these new clean energy sources. In his budget, he laid off I think it is something like 20 percent of the researchers at the very lab that we want, as Democrats, in our proposal to beef up. The reason we want to beef it up is we have seen the incredible productivity gains that have been obtained already.

Eighty percent decreases in the cost of solar cell technology in the last 12 years, 80 percent. While gas and oil have gone through the roof, solar cell technology has gone down 80 percent.

Mr. HOLT. Mr. Speaker, would the gentleman care to answer a question for me: How does the President propose to broke our, as he calls it, addiction to oil, and indeed, we do need to be weaned from our dependence on oil, if his budget, presented a few days after the State of the Union here in the House, provides funding for renewable energy and energy efficiency below the level at which it existed when he took office 6 years ago?

Mr. INSLEE. Well, that is what we call in the business a rhetorical question, and we were just optimistic. We all walked down the steps 6 inches in the air when the President said this the other day; but the next morning reading the budget, it was just a slap in the face. It was a slap in the face to anyone in America who believes that we truly do need to have new technological advances.

What we are proposing is that we should grab a hold, as we did in the new Apollo energy project or the original Apollo energy project, we need a new Apollo energy project that will have the same type of creativity and challenge to the American people that Kennedy had in his State of the Union speech on May 9, 1961. He said we are going to the Moon in 10 years. We did it. We now need a budget that will say we have the same degree of aggression and optimism that we had in that to wean ourselves off of foreign oil. Nothing else will do.

We Democrats are proposing to take a major step forward in that regard with flex fuel vehicles, which are on the street today. We just need to get more of them by using cellulosic ethanol which increases the return per acre of biofuels by a factor of three to four above existing ethanol levels. That is what we need to do.

Mr. DELAHUNT. If I may, you sum it up so well and yet you have to make an investment; and the reality, as we have discussed, is that investment is not forthcoming. It just is not because, as

what this country will do in terms of students that have majored in the sciences and math.

Mr. RYAN of Ohio. I just want to show you the graph that we have here. I would like to welcome all the gray hairs to the 30-Something group. And you, obviously, Mr. DELAHUNT, the gentleman from Massachusetts, has been here for a while, so your gray hair is—

Mr. DELAHUNT. Really dark.

Mr. HOLT. The rest of us have been here for a while.

Mr. RYAN of Ohio. You brought up the issue of global standards, and this is a chart that illustrates what you were talking about.

This is the students who will graduate with engineering degrees this year. In China, 600,000; India, 350,000; and the U.S., 70,000; and a good portion of the U.S. graduates will be foreign born who will probably return to one of these countries but fits under the U.S. statistics.

How are we going to possibly try to jump start our economy if we are not going to address this issue? Under our innovation proposal we are saying we want to create 100,000 new engineers and scientists in the next 4 years. We are limited to what we can do because this President and the Republican House and the Republican Senate have run up such tremendous budget deficit that we have to pay down. When we get in charge we will have to pay down the debt for a while and reduce the deficit, but we are focused and we have a way to pay for this 100,000 new engineers and scientists in the next 4 years.

Mr. DELAHUNT. I think these are the points we have to stress is that the trends, as you allude to, are running in the wrong direction; and I guess if we do not jump start with this initiative and work with our colleagues on the other side of the aisle, we are going to suffer. The future of the 30-something generation is at risk here.

Mr. MEEK of Florida. Congressman HOLT, I just want to tell you real quick, you said that you hope the majority highjacks this issue which the President tried to do during his State of the Union, but his budget does not speak to that, Mr. MILLER. His budget does not speak to innovation. He is saying one thing, and he is going in another direction. Because for him to cut student aid to students to even start the whole innovation moment, education is the way Americans have bettered themselves. Individuals have gone to college for the first time. Communities are better because of it.

Now this President wants to come and he says the word "innovation" that means that we are heading in that direction. It does not necessarily mean that.

So I believe, unlike what they have done in other areas, we have talk about homeland security and international strategy. They highjacked it and said it was theirs. The President was against it for many weeks and months. He finally saw it our way because our way was the American people's way.

The same thing happened with the whole issue when it came down to the 9/11 Commission. We said there should be a comprehensive review on what happened during 9/11. They tried to put together these little partisan committees. The American people said they wanted it. Thank God for the survivors of 9/11 and the families that lost loved ones in 9/11. The President was against it. The majority side was against it. The Republicans, finally, they said, oh, we should have a 9/11 Commission. What a great idea.

But this issue as it relates to innovation and investing in America, I do not think they are going to come with us.

Mr. HOLT. If the gentleman would yield, I am sure he understands that when I invite the other side to seize this issue, I do not mean with just rhetoric. We as a country need an investment in education, an investment in research, an investment in innovation. And the irony is our colleagues were on the floor a few minutes ago talking about how the economy is going to grow.

I will tell you if the economy grows it will be because of productivity growth resulting from investment in a smart, well-trained workforce and in new ideas; and that means really putting something up more than rhetoric.

In math and science education, which are critical to this, the President with all of the rhetoric and the other side here with all of the rhetoric are now funding teacher professional development for math and science teaching at less in actual dollars, I do not mean in inflation adjusted dollars, less than it was funded when the President took office 5 years ago. We have lost ground in actual dollars, not even counting the purchase power.

Mr. RYAN of Ohio. I want to make a distinction here. This President finds the time and the energy and the commitment to put \$16 billion in corporate welfare into the energy bill, finds the time and the energy and the commitment to put billions upon billions of dollars in the Medicare prescription drug bill that is going to some of the most profitable industries in the country, including the pharmaceutical industry. So the fact of the matter is we have got a President who is committed as he could possibly be to corporate welfare for the most profitable industries in the country, but yet we just want to train math and science teachers. We just want to create 100,000 new engineers and scientists, Mr. President. That is all we want to do, Mr. Speaker.

Mr. DELAHUNT. And we want to fully fund, if the gentleman would yield, we want to fully fund the landmark legislation that was passed in a bipartisan way under the leadership of Mr. MILLER and others and Republicans that was described as the No Child Left Behind Act.

What has happened to that, Mr. MILLER?

Mr. GEORGE MILLER of California. What has happened to that is we made

a promise to the country. We put it out in the bill. We negotiated with the President of the United States. And now what we find is in this budget the President is about \$55 billion behind where he promised the country he would be on the funding of No Child Left Behind.

What is interesting is, while the President is creating those deficits in education funding, the private sector is telling us one of the key items in terms of economic growth in this country is to fully fund No Child Left Behind. They are not telling us, the Federal Government, to create 100,000 new scientists. They are saying we want to partner with you. We will employ these people in internships in summer jobs, in graduate jobs, full-time jobs. We want to work with you because it is so critical to the future growth of our companies.

These are some of the most successful companies in the history of the world. They are worried about whether or not America will be able to generate the workforce necessary so they can continue to do business in this country and we can have jobs in this country.

And what happens? The President says he wants to do it in the State of the Union. It is not in this budget, and the new majority leader slams the program as simply more spending. This was not our agenda. This was not partisan. We specifically laid this out as a challenge to this Congress, to 435 Members of Congress to take up what the private sector now has been telling them for years to do with the permanent extension of modernization of the R&D tax credits, the full funding of No Child Left Behind, the doubling of the National Science Foundation, maintaining the doubling of the National Institute of Health, to get broadband across this country so that economic growth can take place all over the country in the rural areas, people can start jobs, and education can be brought there.

And what do we find out? You just get a big partisan slam from the Republican side of the aisle. Most of the CEOs who helped us draft this program and consulted with us in Boston and in California and in Austin and in North Carolina are Republicans. But they can see the challenge of what China and India that Mr. RYAN just talked about. The trend line for American scientists and engineers is going down; in our most fierce competitors it is soaring up.

Mr. DELAHUNT. Can I suggest that what we will see with that trend line in terms of the increase of the number of scientists and mathematicians and computer personnel is those jobs, those well-paying jobs will also trend towards China and India and OPEC and all those countries that we are borrowing from today. And we discussed this last night, that we have borrowed from that, are funding those tax cuts that translate into 1 percent of Americans, the most affluent, receiving 40

government operations of Iraq or Afghanistan. This is government operations of these United States.

Secretary Snow, I go back, and repetition is good because I want to make sure that folks understand. Gentlemen, I want to say this, and you cannot say this enough. They have broken records, borrowing \$1.057 trillion from foreign nations. Like I said before, the President cannot just do this by himself, so I am going to put a picture of the Republican leadership there to say they are a part of this incompetence as it relates to borrowing from foreign nations that we have concern about like China.

So, Mr. DELAHUNT, you have hit the nail right on the head. Mr. HOLT, you are 210 percent right. We cannot talk about innovation, but in the meantime we have other priorities with the special interest. I think it is important. I want to make sure that staff gets a picture of the Republican conference because I think it is important. I think we need to put the pressure on not only on individual decisions but on decisions that the majority has made that has put this country in the back seat as it relates to innovation and as it relates to many other areas that we should be leading in.

Mr. HOLT. A little earlier this evening folks on the other side were saying that revenues have continued to grow because of the tax cuts. No, what has grown because of the tax cuts is this deficit, this borrowing. So much of it from China, Japan, even OPEC, as my friend from Massachusetts has pointed out.

Mr. DELAHUNT. I think it was interesting to hear our friends and colleagues on the other side say we have to hold them accountable in Washington. We have to hold those bureaucrats, we have to hold them accountable. Let us get on with the job. I find that confusing.

I thought, now maybe you can give me some guidance here. I thought the Republicans were the majority party in this House and in the Senate for a substantial period of time, and I am confident that President Bush was elected in 2000 and it is 2006 and it has been 6 years. Who is in charge? Who is in charge, Mr. Speaker?

They are the ones that should be held accountable. This is not about bureaucrats. I understand it is an election year and all of a sudden they are going to position and posture themselves as outsiders. Outsiders, that is a bad joke. They run this place. They run this town. They know how to exercise power.

Mr. RYAN of Ohio. In fact, I thought that was a joke. In fact, I wrote it down in a journal, and I laughed about it later in the day because I thought it was a joke. Then I find out that they are serious.

Mr. Speaker, I yield to Mr. INSLEE.

Mr. INSLEE. Under the current control of the Federal Government, if China invades Taiwan, we will have to borrow money from China to fight the

war. That is a very sad irony, if not a joke.

I wanted to point out one thing before we finish, an aspect of the Democratic Innovation Agenda that we have not talked about, and that is our efforts to help small businesses innovate because Democrats recognize that small businesses are tremendous engines of innovation. That is where a lot of our creative genius comes out. I want to point out a few things that we have proposed to make sure that small businesses are successful in innovating, and one is we have a constellation of proposals that will help small businesses across what is called the valley of death which is where they cannot get financing when they have a good idea but cannot quite get to commercialization. We would make sure that the Small Business Innovation Research Program is held up and supported. This administration is actually cutting the availability of small businesses to use the innovation grant program to get their innovations to market. They purport to believe in the power of business but will not help them with that.

Second, we propose that we will help reward risk taking and entrepreneurship by promoting broad-based stock options, and not just for top dogs in corporations but for the rank and file.

Third, we want to protect intellectual property by making sure that patent fees go to help the patent process so these businesses can get their patents.

Fourth, we want to help specially tailored guidelines for small businesses to help with the Sarbanes-Oxley requirement in accounting.

I point these out because I think it is fair to say that the Democrats have put forth four very concrete proposals to make sure small businesses can thrive in a challenging environment. That is important because we know that government is not the source of all great ideas in our society. We want small businesses to achieve, and we have good proposals for that to happen.

Mr. RYAN of Ohio. Mr. Speaker, I yield to Mr. HOLT and thank him for his good leadership.

Mr. HOLT. I thank the Thirty-Something group for allowing us to join you. Yesterday with Mr. Lucas, he and I were the only ones there with gray hair. I thank you for having us here tonight.

Mr. RYAN of Ohio. Mr. Speaker, to get ahold of us, any of the Members who are in their offices or anyone else, the Website is www.housedemocrats.gov/30Something. All of the charts you saw here tonight are available on our Web site, and we will be back in an hour.

□ 2130

ANNOUNCEMENT BY THE SPEAKER
PRO TEMPORE

The SPEAKER pro tempore (Mr. CONAWAY). Without objection, the 5-

minute Special Order speech of the gentleman from California (Mr. GEORGE MILLER) is vacated.

There was no objection.

THE END OF DOLLAR HEGEMONY

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 2005, the gentleman from Texas (Mr. PAUL) is recognized for 60 minutes.

Mr. PAUL. Mr. Speaker, my Special Order tonight deals with the subject, the end of dollar hegemony. Mr. Speaker, 100 years ago it was called dollar diplomacy; after World War II and especially after the fall of the Soviet Union in 1989 the policy had all been to dollar hegemony.

After all of this great success, our dollar dominance is coming to an end. It has been said, rightly, that he who holds the gold makes the rules. In earlier times it was readily accepted that fair and honest trade be required in an exchange of something of real value. First, it was simply barter of goods, and then it was discovered that gold held a universal attraction and was a convenient substitute for more cumbersome barter transactions.

Not only did gold facilitate exchange of goods and services, it served as a store of value for those who wanted to save for a rainy day. Though money developed naturally in the marketplace as governments grew in power, they assumed monopoly control over money. Sometimes governments succeeded in guaranteeing the quality and purity of gold; but in time, governments learned to outspend their revenues.

New or higher taxes always incurred the disapproval of the people, so it was not long before the kings and caesars learned how to inflate their currencies by reducing the amount of gold in each coin, always hoping their subjects would not discover the fraud. But the people always did, and they strenuously objected.

This helped pressure leaders to seek more gold by conquering other nations. The people became accustomed to living beyond their means and enjoyed the circuses and bread. Financing extravagances by conquering foreign lands seemed a logical alternative to working harder and producing more. Besides, conquering nations not only brought home gold; they brought home slaves as well. Taxing the people in conquered territories also provided an incentive to build empires.

This system of government worked well for a while, but the moral decline of the people led to an unwillingness to produce for themselves. There was a limit to the number of countries that could be sacked for their wealth, and this always brought empires to an end. When gold no longer could be obtained, their military might crumbled. In those days, those who held the gold truly wrote the rules and lived well.

That general rule has held fast throughout the ages. When gold was used and the rules protected honest