

John J. Duncan, Jr.

Washington Report

Second District - Tennessee

February 2008

LEGISLATIVE UPDATE

Congressman

√ The Economy

The national news organizations have been reporting for months that we are either in a recession or soon will be. It is hard not to be concerned when there are so many pessimistic reports. Yet we still have not reached the technical definition of a recession, which is two straight quarters of negative growth. The stock market closed at 12,650 on January 31, down some from its record, but still very high. The malls and restaurants remain packed and people still spend unbelievable amounts on cell phones and cable television, which would have been considered luxuries just a few years ago. The economy of the 2nd District remains very strong, because this part of East Tennessee continues to be one of the most popular places to move to in the U.S. Some parts of the U.S. are in a recession because of high taxes and rapidly declining populations. Economists have said for years we are six months into a recession before people realize it and six months out of one before the public knows. Today many people have felt we were in a recession long before we were, if we are.

✓ Prosperity

If we are in a recession nationwide, and the experts remain divided on this, then there are many things we can do to return to a time of prosperity. First and foremost, we need to get our fiscal house in order. We need to stop spending mega-billions in other countries and running up more and more government debt and borrowing so much from the Chinese and others. This would slow the decline of our currency. We need to bring down the cost of gas and other forms of energy by producing more in this Country and off our shores. This will not only hold our costs down but will also make us less vulnerable to foreign energy producers. We need major free market reforms to our health care system. The cost of medical care has gone up faster than almost anything in recent years because of government mismanagement. We need to be a little more hard-headed in our trade negotiations and immigration policies so that Americans can get more and better job opportunities. And we need to stop taxing savings and investments.

√ The Presidency

No matter who is in the White House, a President gets far more credit than he deserves for a good economy and far more blame than he deserves for a bad one. Robert Samuelson, a moderately liberal economics columnist for the *Washington Post* and *Newsweek*, wrote in a column published February 6: "We have a \$14 trillion economy. The idea that presidents can control it lies between an exaggeration and an illusion." A President can be a great moral leader, uplifting and encouraging the Nation. He can have

a big effect on foreign policy and defense and, Mr. Samuelson added, "long-term economic and social policy—how they would tax and spend; health care; immigration. Forget the business cycle."

✓ Consumer Spending

One member, speaking on the House Floor, said we should limit any economic stimulus only to those most likely to spend it, as if saving and investing were not good for the Country. My friend David Moon hit the nail on the head in a recent column: "It angers me that government officials are concerned that taxpayers might take their newfound windfall and waste it on something silly like reducing debt. If you think clearly, unlike a government official, it might occur to you that one of our problems might be an excess of debt...." He pointed out that the government will borrow the money, so that whatever you do with the rebate, the taxpayer will be paying for it "for the next 30 years". He then added: "If you payoff some debt with it, however, you will at least be swapping debt for debt. Do you think a lack of consumer spending got us into this mess? Hardly.... It's certainly not from a lack of shopping effort by the consumer. We have been spending more than we make since the beginning of 2006. Homeowners have been using lines of credit to take cash out of their houses just so they could go to restaurants."

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✓ Health Spending

Spending on health care now exceeds two trillion dollars a year in the U.S. and averages out to \$7,000 a person. Health spending has more than doubled since 1995, the first year it exceeded one trillion dollars. Medicare spending jumped an astounding 18.7 percent in 2006 alone, and Medicare and Medicaid together will probably be around \$700 billion this year. Government now pays for slightly over half of all medical care in this country, and many people want it all paid for in this way. The simplest and easiest answer for any problem (but also the most expensive and demagogic) is to turn it all over to the federal government. The government medical programs are many times more than their initial estimated costs and go up at several times the rate of inflation. We need major reforms in this area, but they need to be more in the direction of tax-free health savings accounts, association health plans, and free market initiatives (and not rip-off government contracts given to former government employees). Total government control of medical care would lead to much higher costs and much lower quality and fewer choices for the patients.

✓ Children's Health

In Tennessee, there are now 1,440,000 children. Of those, almost half are covered by employersponsored health insurance. TennCare, our version of Medicaid, covers 629,434, or 43.6 percent. The CoverKids program covers another 18,280 (1.3 percent), and about 11,000 children were referred for Medicaid during enrollment for CoverKids. About 5 percent are presently not covered because their parents are changing plans, in a process of enrollment, have recently moved to the state, or have purposely decided not to participate. We provide coverage that is better than or very similar to just about every State. Education and healthcare take up about 78 percent of the State budget.

✓ Subprime Bailout

Many constituents have contacted my offices about proposals for a taxpayer bailout of subprime lenders and those who took those loans. One bill, the Mortgage Forgiveness Debt Relief Act, dealt with tax forgiveness. A second bill, called the Anti-Predatory lending Act, passed the House, but is pending in the Senate. Many feel this bill could lead to numerous lawsuits. Those who contacted our offices were almost totally opposed to these bills, and I voted against both. These bills are not complete bailouts but certainly are steps in that direction and very expensive. Columnist Walter Williams wrote this on January 23 about the subprime situation: "As with most economic problems, we find the hand of government. The Community Reinvestment Act of 1977, whose provisions were strengthened during the Clinton Administration, is a federal law that mandates lenders to offer credit throughout their entire market and discourages them from restricting their credit services...In other words, the Community Reinvestment Act encourages banks and thrifts to make loans to riskier customers."

✓ Immigration Laws

We have increased spending on federal immigration enforcement at almost ten times the rate of inflation over the last few years. Yet I believe we would do much more good for half the money if we would give these funds to local law enforcement agencies. A police chief in a small town in Massachusetts after arresting an illegal immigrant said "We're applying a state law to illegal aliens, instead of federal law, because the federal government refuses to enforce its own laws." All over East Tennessee local police have found that the federal agencies will very seldom do anything to remove illegal immigrants they arrest. Some people who do not want our immigration laws enforced say you cannot remove 20,000,000 immigrants overnight. Well, everyone knows that. But a good place to start would be to speed up the removal of the 2,000,000 illegal immigrants who have been convicted of crimes.

✓ English Amendment

Sen. Alexander was able to get the Senate to pass an amendment to an appropriations bill prohibiting the use of taxpayer funds to sue employers who require their workers to use English on their jobs. This amendment was in reaction to a suit by the Equal Employment Opportunity Commission against the Salvation Army for requiring its employees to speak English while working in the U.S. The House voted 218 to 186 to support this amendment, but the Speaker of the House and Majority Leader of the Senate kept the language from being included in the conference report. The overwhelming majority agree with Sen. Alexander on this.

√ American Jobs

Almost every year the Congress has voted to increase the number of H-1B visas allowing skilled foreigners to take American jobs. Sen. Chuck Grassley (R-IA) says this program is "now replacing the U.S. labor force." I have always voted against these increases, but so far the big multinational corporations have won this vote no matter who controls Congress. The number is usually increased from the legal limit of 65,000 each year to 90,000 or more. Columnist Phyllis Schlafly pointed out on January 21 that actually we allow about 400,000 extra foreign workers in each year counting those who get graduate degrees from U.S. universities and are exempt from the count, and L-1 visas to allow multinational companies to transfer managers and specialists within the company. She wrote that



The Second District has many leading citizens with Greek ancestry. Congressman Duncan is shown here with Alexandros Mallias, the Ambassador from Greece, after discussing U.S.-Greece relations.

theses multinationals "are abusing L-1's as a backdoor to bring in lower paid workers...." These visas are issued in addition to the millions we let in legally. No other nation comes anywhere close to the U.S. in the numbers that are allowed to immigrate here legally each year.

✓ Best Workers

Contrary to what some think, the U.S. is not losing jobs because American workers are spoiled or lazy. In fact, according to the latest rankings by the International Labor Office of the U.N., American workers are the most productive in the world, by far, and mainly due to working longer hours. U.S. workers produce about \$64,000 a year in value-added labor, \$8,000 a year more than Ireland, the next closest economy. Most countries are not even close to the U.S. in this ranking, with the less developed nations producing at least three times less per worker. Sub-Saharan Africa is the lowest, producing about onetwelfth per worker as in the developed or industrialized countries.

✓ Big Government

The only thing big government is really good at is wiping out the middle class. Small government

produces a system with very few at the top and very few at the bottom. When a nation allows too much of its GDP to go to government, it ends up with a few privileged elites and a huge underclass. Every wellintentioned federal program (especially medical care and student loans) has allowed a few to get rich who legally worked a flawed system to their very great advantage. Before government got so heavily into health care, medical care was very cheap and doctors even made house calls. Two of the wealthiest areas in this nation are the Maryland and Virginia suburbs of Washington where so many of the highest paid federal employees and defense contractors live. The Knoxville News-Sentinel recently printed a list of the 100 highest-paid people in Knox and Anderson counties. Almost all worked for TVA, the University of Tennessee, or some aspect of the operations in Oak Ridge.

✓ Committees

I continue to serve on three committees: Transportation and Infrastructure, Resources, and Oversight and Government Reform, and numerous subcommittees. We deal with a wide variety of issues on these committees from national parks to national security. The

Transportation and Infrastructure Committee has helped me obtain funding over the years for a new federal courthouse, all types of airport construction and improvements, a new bridge in Loudon, and a great amount of highway work, just to name a few examples. On the Resources Committee I have worked on funding for the Smokies, oil production in Alaska, and to stop some expansion of Indian gambling. The Oversight and Government Reform Committee has passed three bills of which I have been the original sponsor: to create an Inspector General for TVA; to require disclosure of contributions to Presidential libraries; and a bill originally called the Freedom from Government Competition Act. This last committee is the main investigatory committee of the House, and two recent examples are investigations of the Blackwater Security company and charities spending too much on salaries and fundraising and little on the supposed beneficiaries.

✓ Ambassadors

I have met over the past year in my Washington office with the Ambassadors from Iraq, Turkey, France, Mongolia, Slovenia, and Greece. I also met with a member of the British House of Lords from Northern Ireland and the head of the Scottish Affairs Section of the British Embassy. I founded and Co-Chair the Friends of Scotland Caucus with Cong. Mike McIntire (D-NC). I also have met over the years with many legislators from other nations. These meetings have almost always been at the request of the foreign official involved. However, I have found these meetings to be very informative and I hope helpful to our Country. As most people know, I am strongly opposed to spending hundreds of billions of U.S. tax dollars all over the world at a time when we are so deeply in debt and having to continually borrow all this money. But

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I believe we should have trade and tourism and cultural and educational exchanges with other nations and help out during humanitarian crises. And I also believe it is good for all Americans to carry out person-to-person diplomacy and establish friendly relations with people from other countries when given the opportunity to do so. This is often better than some of our more formal, government-to-government diplomatic efforts.

✓ Budget Director

Jim Nussle, the Director of the Office of Management and Budget, recently sent me a letter endorsing a bill I introduced in the House and that Sens. Tom Carper (D-DE) and Tom Coburn (R-OK) introduced in the Senate. The Federal Government has a goal of disposing of \$9 billion in unneeded real property by the end of fiscal year 2009. Director Nussle wrote: "To reach this objective, I believe we must improve and streamline the current process that Federal agencies face in disposing of real property assets. Therefore, I applaud your introduction of H.R. 3049, which would establish a five year pilot program for expediting the disposal of properties no longer needed by the Federal government." Some people never want the government to sell any property, and government at all levels continues to acquire more and more every year. But if we keep shrinking the tax base, schools and other agencies will have a much harder time in the future getting increases in their funding.

√ Farm Bill

The \$286 billion Farm Bill was opposed by a wide array of environmental and taxpayer organizations, from the Environmental Working Group to the Citizens Against Government Waste. Their opposition (and mine) has come primarily because subsidies have gone to many millionaire farmers while most very small farmers get nothing. In fact,

three-fourths of American farmers do not get subsidies, while 10 percent get 75 percent of all payments. In addition, the Washington Post in December exposed the billions of losses and fraud in Department of Agriculture loan and grant programs. They used as one of many examples a \$1.6 million loan for an asbestos-removal company Panama City, Florida. Three years later, the company went out of business with most of the loan unpaid after a federal investigation found environmental abuses and hiring of illegal immigrants. According to the Post, loan guarantees or grants went to a car wash in Milford, Del.; a country club in Great Falls, Mont.: a movie theater in Smithfield, N.C.; a water park in Myrtle Beach, S.C.; an alligator hunter in Dade City, Fla.; snowmobile clubs in Maine; and dozens of gas stations and convenience stores in several states.

✓ Federal Education

I was the only member of the Tennessee Delegation who voted against the No Child Left Behind law when Congress passed it in 2001. Almost every bill has some good parts, but this legislation has also caused many problems and much controversy. Several states have now pulled out of portions of it or requested waivers. I voted against it for three main reasons: 1) It was an overreaction to a few failed big-city school systems that unfortunately was applied nationwide; 2) The teachers and principals in Tennessee have enough sense and intelligence to run our own schools without interference from Washington; and 3) We did not need to be spending more education funds and teacher time on bureaucracy and paperwork. Now the law is up for reauthorization, and it will be renewed, but I hope it will be with major changes. Like any big government program, the one certain thing it has done is to have created a \$2 billion industry to carry out the law. *Roll Call*, a Washington newspaper, said experts "can argue endlessly about whether the law has helped children," but added: "The legislation has nurtured a now-booming industry of tutoring and testing enterprises that have blossomed on the government's dime."

✓ Development

Some young people have been brainwashed into thinking the words developer and development are bad words. We all want to save "crown jewels" like the Tennessee Theater, and I was able to get two separate appropriations totaling \$1,250,000 to help on that restoration. But we do not want to save every rundown, dilapidated structure out there, and most of the time development makes things better. We need to allow homebuilders to build so that houses do not become far too expensive for young families as has happened in some major metropolitan areas. And, we need pro-business policies so there will be jobs for young people when they get their degrees and better jobs for those already in the labor pool. Even young people who hope to work as teachers or in other government jobs should be pro-development and pro-business so tax revenues do not go down and government jobs remain available.

√ Free Enterprise

The fairest economic system is a capitalist, free market, free enterprise system. A true free market is the only one that allows someone without huge money or powerful connections to compete fairly. However, today government has tilted the deck tremendously toward extremely big business in almost every industry. Environmental rules, regulations and red tape have destroyed many small businesses, forced them to merge, or prevented entrepreneurs from entering some industries in the first place. Most federal and state contracts are given to big businesses that hire former

employees of the departments or agencies giving out the contracts. The big keep getting bigger, too, because they can get favorable regulatory rulings and tax breaks and free land easier than the very smallest or newest businesses can. The only way to reverse this trend is to decrease government spending.

√ Troop Support

Anyone who says we are not supporting our troops or our veterans is either lying or does not know what they are talking about. The U.S. does far more in pay, equipment, and benefits for both active duty troops and veterans than any other nation—far more. For example, we now spend \$17,500 just to outfit one soldier for war, 100 times more than in World War II. The Associated Press reported "In the 1940's a GI went to war with little more than a uniform, weapon, helmet, bedroll and canteen. He carried about 35 pounds of gear that cost \$170 in 2006 inflation—adjusted dollars." That figure rose to \$1,100 during the Vietnam War with newer equipment. Today, soldiers are equipped with more than 80 items, many of them very high-tech. In regard to veterans, every year we get calls from people thinking this funding is being cut. Yet total VA spending was \$29 billion my first year in Congress and the President has proposed \$92 billion in this year's budget. The Congress always increases what the President proposes in this area, no matter who is President, and every year we increase veterans spending by three or four billion dollars. I am glad we provide so well for our troops and veterans, but I am disappointed that people sometimes think this spending has been cut since it actually has gone way up every year at least since President Reagan took office in 1981.

✓ FISA Court

Over the past few months, some people have gotten the impression

that it is difficult for our intelligence agencies to get surveillance warrants. Nothing could be further from the truth. In the seven years from 2000 through the end of 2006, authorities requested 10,905 surveillance warrants from the For-Intelligence Surveillance Court. The Court granted all but 14 of these requests. We now spend approximately \$50 billion on intelligence each year, more than all other nations combined on this activity. We could spend much of this money in a lot better ways if we did not get involved in so many religious, ethnic, and political disputes around the world.

✓ Problem Solving

The famous early 20th Century writer H.L. Mencken once wrote: "There is always an easy solution to every human problem—one that is neat, plausible, and wrong." Our founding fathers felt most problems should be solved through the private, free enterprise system, and that if government had to be involved, local government was best. It was less expensive and less arrogant and more efficient. If you read the Constitution, our federal government was meant to be a very limited one, a government of last resort. Today we have turned this upside down and call on the federal government first. Members of Congress voluntarily give up their privacy. But it is especially sad that we have allowed our federal government to grow so big and powerful that privacy is really a thing of the past even for those we used to call private citizens.

✓ Real Threat

Bruce Fein was a high-ranking Justice Department official during the Reagan Administration. He says the federal government "has inflated the international terrorism danger" in order "to aggrandize executive power." This may be true in part. Most agencies and departments do exaggerate the threats or problems they are confronting to get more

power, but primarily do so to keep getting increased appropriations. Certainly we need to take realistic steps to fight terrorism. But if we gave the Department of Homeland Security the entire federal budget, we still could not make everyone totally safe. In a cost-benefit analysis, you fairly quickly reach a point in the terrorism threat where more spending is almost totally wasted. People are hundreds of times more likely to be killed in a wreck or die from a heart attack or cancer. We need to spend more on the greatest threats. Also, we need to make sure we do not lose our liberty in a search for an illusive security. Bruce Fein wrote that if the "war against international terrorism is not confronted with corresponding skepticism, the nation will have crossed the Rubicon into an endless war; a condition that Madison lamented would be the end of freedom."

✓ Retirement Income

Approximately 40 percent of Americans over the age of 65 receive more than 90 percent of their income from Social Security. For 26 percent of those over 65, Social Security is their only income. Most people under 40 seem to realize that Social Security will not be much help to them when they retire because the terrible financial condition of the federal government will lead to huge benefit cuts or, more likely, great inflation of the money supply so the dollar will be worth much less. We now have over 1,400,000 military retirees and almost 3,000,000 drawing either VA disability compensation or VA disability pensions (some of these overlap). Those who hope or plan to rely on social security and/or federal or state pensions in the near future should be demanding that the federal government stop wasting so much money and especially stop spending hundreds of billions each year in other countries.

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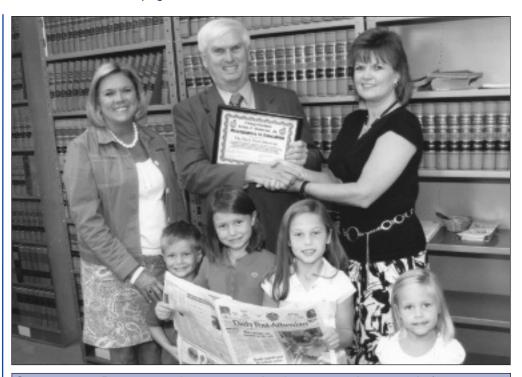
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✓ Money Chase

Several years ago, I read an article in which a former member of Congress said everyone who came to see him wanted money. There is some truth to this, because it is an amazing number who come to us wanting some type of increased funding or some type of disability payment or pension (Social Security, VA, sick worker, etc.). We have been able to help thousands in this way. However, we have also helped several thousand others with problems of all types, tours for visitors, programs for students, and many other things, including problems with insurance companies or with state or local governments. While almost everyone is attracted to Congress by great interest in national and international issues, House members spend the great majority of their time trying to help with these individual constituent problems. We speak to many groups on major issues, but very few people come to see us on these issues in comparison to the great number who come wanting money or help with a problem.

✓ GAO Report

The Government Accountability Office is the main federal research agency for the Congress. It is nonpartisan and is now headed by David Walker, a very conservative CPA from Atlanta. A recent GAO audit on our activities in Iraq found that "no lead agency provides overall direction, and U.S. priorities have been subject to numerous changes." The report also said that U.S. strategy from the start "assumed that the Iraqis and international community would help finance Iraq's reconstruction." However, according to the report, the international community has pledged a mere \$15.6 billion, \$11 billion of which is in the form of loans. In the meantime, we have spent so many billions, there are various figures given, but most estimates are over \$700 billion for the



Congressman Duncan speaks to many school groups each year and often stresses the importance of reading. Here he is shown receiving a certificate of participation in the Newspapers in Education program from Lu Shep Baldwin and teacher Jan Dingess and students from Englewood Elementary School.

wars in Iraq and Afghanistan, not counting future medical and disability payments. These future costs are estimated to make these wars eventually cost U.S. taxpayers two trillion dollars.

✓ Defense Contractors

The very respected nonpartisan magazine National Journal in January published a major article which said "the lines are blurring between what U.S. troops, and what private contractors do on the battlefield and in nation building." The article said: "Industry leaders are more often than not retired generals who know which doors to knock on in the Pentagon and Congress to secure desired contracts. The Britannica Online Encyclopedia summed up the relationship that Eisenhower warned us of some 50 years ago. The military, it says, 'ensured that their suppliers remain financially viable and suppliers attempt to ensure that public spending for their products does not decline."

✓ Gas Prices

Gas prices are far too high and probably will go even higher. They could be much lower, but very powerful environmental groups want them to go higher so people will

drive less. Thus, we have put 85 percent, or 611,000,000 acres, of the Outer Continental Shelf offlimits to oil production. We will not allow drilling in 99.9 percent of Alaska where oil could be found and have prohibited or restricted production in other parts of the U.S. We also have placed so many rules, regulations, and red tape on all types of domestic energy production that small and mediumsized businesses cannot compete or even enter these industries in the first place. All this production could be done in environmentally safe ways. Some of these environmental groups help the big business giants and foreign energy producers tremendously, but they are really hurting lower and middle income people.

✓ Global Warming

A former longtime BBC science correspondent wrote recently: "The fact is that the global temperature of 2007 is statistically the same as 2006 as well as every year since 2001. Global warming has, temporarily or permanently, ceased." The Washington Times 2007 saw "record low temperatures...being set all over the world." While a majority of scientists still believe in

global warming, there are many others who dispute this, and this debate is far from settled except among those who have a very specific agenda. If there is global warming, it cannot be solved by the U.S. alone, and we will do much more harm than good if we sign an agreement or take unilateral action that destroys our economy. The worst polluters in the world have been the socialist and communist countries. Only free market, free enterprise economies generate the excess cash to do the good things for the environment that we all want done. We will never solve our environmental problems if we go further down the road toward an over-regulated, over-taxed, socialist-type economy.

✓ Misleading Charities

Our Oversight and Government Reform Committee has held two hearings on national charities that spend huge amounts on salaries, benefits, and fundraising costs. These charities always have sympathetic names and claim to be helping children, veterans, or those with terrible diseases. The biggest expense often seems to be on direct mail. Anyone who receives an appeal from a charity in the mail should call or ask someone how much is being spent on these mailings. Far too much of your contribution will go toward salaries, benefits and fundraising. The best contributions—the ones that will do the most for those in need—are to local churches or charities that do not do heavy direct mail. One of the very best types of charitable giving is to small private colleges or universities that do not receive the huge taxpayer subsidies that state colleges and universities do.

✓ Perpetual War

Jonah Goldberg wrote in a recent issue of *National Review* that "the insight that involvement abroad fuels the expansion of the state was central to the formation of the modern conservative and libertar-

ian movements." In other words, perpetual war leads to bigger government and goes very much against traditional conservatism. Yet some conservatives have fallen into a trap of never questioning any military expenditure even though there is great waste and overspending in the military just as there is in any giant government bureaucracy. Our Constitution is a very conservative document, and our founding fathers felt very strongly that we should have civilian control of the military. Service in our military is very honorable and patriotic, but we need strong national defense, not international defense. We simply cannot afford to be the policeman of the world, and with the speed of communication and transportation today, we do not need our military in so many countries. Conservatives should support an efficient, fiscally conservative military but should not believe in turning the Department of Defense into the Department of Foreign Aid as it is in many ways today.

✓ Non-Interventionist

Michael Scheuer, a longtime, now retired CIA official, author, and television commentator, wrote these thoughtful words a couple of months ago: "Indeed, the term isolationist is merely a deceptive slur that America's bipartisan elite hurls at those citizens who prefer not to waste their wealth or children's lives in other peoples' wars. Since its inception, the United States has been a trading nation and a country fully involved in economics, scientific, educational, and commercial affairs around the world. At its best, America has been sturdily non-interventionist, recognizing both that it has more than enough to do to expand liberty's domain and the equality of opportunity at home, and that non-essential foreign adventures can only slow or even undo the liberty and opportunity for Americans at home." If you ever hear anyone use the word "isolationist," you will know immediately that they are resorting to childish name-calling or scurrilous personal abuse and attempting to avoid a discussion on the merits.

✓ Pakistan Aid

In the past six years, we have given Pakistan \$11 billion in military aid, in addition to other federal aid from many other departments. Supposedly most of this aid was to help catch Osama bin Laden and to find and destroy al-Qaeda forces. Hopefully, somebody at the Defense Department was at least a little embarrassed when Pakistan President Musharraf told 60 Minutes when asked about bin Laden: "We are not particularly looking for him...." He added that in the process of going after other threats "maybe we are looking for him also."

✓ Middle East

Regular readers of my newsletter may recall that one of my favorite columnists is Charley Reese, who was also voted as the favorite columnist in a vote by many thousands of C-Span viewers several years ago. I do not agree with him on everything, nor would he with me. But he certainly has an interesting and informative writing style, and it is too bad his columns are not carried by newspapers in East Tennessee. He recently wrote this about the always troublesome Middle East: "There is no valid parallel between the rise of Nazi Germany and anything going on in the Middle East. That old canard that World War II was caused by appeasement is dragged out of the closet by the warmongers every time their cockamamie schemes meet opposition. There are no Hitlers in the Middle East. There are no Germanys in the Middle East. Only a great industrial power has the capacity to produce enough nuclear warheads—and the missiles with which to deliver them—in sufficient numbers to threaten the

United States. There are no great industrial powers in the Middle East, not one. There are not likely to be any in the foreseeable future. In short, no country in the Middle East is a threat to the United States. No country in the Middle East, including Iran, is a threat to Israel. Israel has the most advanced tools, the most advanced aircraft, the most advanced missiles, and the largest and only arsenal of nuclear warheads in the region."

✓ Water Resources

It has been said that water will be the oil of the 21st Century and that unfortunately wars will be fought over this resource. After chairing the Aviation Subcommittee the maximum six years, I chaired the Water Resources and Environment Subcommittee. This past year, we were finally able to pass the Water Resources and Development Act through both the House and Senate. Before, we had just been able to get it through the House, with no action in the Senate. Because I helped lead its passage, I was able to include several provisions hopefully designed to improve the wastewater and clean water systems in our area and begin the process of turning our part of East Tennessee into a significant player in water quality research. Included in that bill were \$2 million for the Southeastern Water Resources Institute at the University of Tennessee, \$40 million for water infrastructure projects in East Tennessee, \$500,000 for equipment to remove debris from the Tennessee River, authorization for a flood control project for Town Creek in Lenoir City, \$16 million for wastewater infrastructure in Athens, and \$5 million for wastewater infrastructure in Knoxville.

✓ China Trade

Our trade deficit with China this year will probably be close to \$300 billion. This is very conservatively equivalent to six million American jobs lost for this year. We should have trade with China—it is good for us and for them. But they would not accept or put up with such a huge trade imbalance if it was reversed. We need to renegotiate our trade agreements with China and insist that they start finding more that they can buy from us.

✓ Low Blow

Talk about a real slap in the face: the *Washington Post* reported recently that Iraq has ordered \$100 million worth of light military equipment for its police force from China. The Iraqi government said the U.S. was too slow in delivering arms shipments. Iraqi security forces already are unable to account for 190,000 weapons shipped by the U.S. Our government has been doing everything for those people, from building schools, hospitals, and power plants to providing jobs for hundreds of thousands of Iraqis.

We have been spending at the rate of \$12 billion a month on this war and sending planeloads of cash over there. Yet some of our military and foreign policy elitists want us to stay there and keep spending mega-billions for many years to come. In fact, the request for the war for this next fiscal year is \$189 billion, or \$15.75 billion a month.

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