



CONGRESSMAN

# John J. Duncan, Jr.

## **Washington Report**



Second District—Tennessee

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## LEGISLATIVE UPDATE

### ✓ **Next Congress**

The next Congress, sworn in on Jan. 3, will see Republicans having a slight majority (52 to 48 Democrats in the Senate counting the two independents who caucus with them, and 241 to 194 in the House). The average age at the start will be 57 in the House and 61 in the Senate. There will be 83 women in the House and 21 in the Senate. The new Congress will have a record number of blacks, increasing from 46 to 49, and Hispanics at 38. There will be 143 Roman Catholics in the House and 24 in the Senate. Those who listed themselves simply as Protestant totaled 80 in the House and 14 in the Senate. Others listed specific denominations; such as Baptist (50H, 10S), Methodist (31H, 9S), Presbyterian, including me, (22H, 13S), Episcopalian (27H, 5S), Jewish (22H, 13S), Lutheran (19H, 7S), Mormon (7H, 6S), and various other groups of two, three, or four. Every session of the House and Senate is opened with prayer, and there is a prayer room in the center of the Capitol.

### ✓ **Big Challenges**

This Congress will face some awfully big challenges over its two years in office. Healthcare will be the biggest, and it cannot be solved quickly or easily. But hopefully we can begin to move it in a different and better direction. President Obama promised that his plan would save the average family \$2,500 a year. Instead costs have gone way up for the great majority. Blue Cross/Blue Shield requested a

62% increase in Tennessee. Many years ago the then Administrator at Park West Hospital told me costs would go down 50% overnight and then 50% over the next six months (then being 25%) if the federal government was not involved. In other words, we would then be paying for medical care the same way we pay for food, clothes, and housing. However, we have gone too far down the government road. The best we can do for the foreseeable future is to incentivize good behavior—with a system geared more to rewards (for positive actions) and penalties (for negative ones).

### ✓ **Official Title**

While members of the House are usually referred to as Congressman or Congresswoman, the official title is United States Representative from (blank) State. This means that while we represent only a specific district, we are supposed to try to represent the entire state. It always surprises people when they find that a person does not have to live in the Congressional district he or she runs in, and several of my opponents over the years have not lived in the Second District. Tennessee has nine members of the House while California has 53. The high population states have great power in the House. I have always thought it was important for Tennessee members to serve on many different committees to hopefully spread our influence, and the Tennessee delegation, both Democrats and Republicans, have always worked well together for our State.

### ✓ **Cures Act**

Possibly the most important bill passed by Congress this past year was the 21<sup>st</sup> Century Cures Act. I have been speaking out for years about the fact that the FDA has made it take far too long and far too expensive to get a drug to market. This has driven up the cost of medicine and has caused the drug industry to be dominated by a very small number of giant corporations. This bill is designed in part to make the approval process for newer, more innovative medicines faster and less bureaucratic. The primary leader for this bill in the Senate was our own Senator Alexander, who is a very effective legislator. He led the push to provide one billion dollars to fight the opioid crises that has caused so much addiction, heartbreak, and even death in so many communities across Tennessee and the Nation. The bill included language that Rep. Cohen of Memphis and I worked out to direct the NIH to set up a competitive program for advances in biomedical science and improved treatment outcomes. It also had provisions to help some of our rural hospitals on Medicare and small businesses that provide durable medical equipment and wheelchairs. The bill also included several provisions from the Helping Families in Mental Health Crisis Act, a bill I and many other members had co-sponsored.

### ✓ **Huge Debt**

I was brought up by wonderful parents, both of whom were raised during the Great Depression. I have

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been horrified by far too much government debt (federal, state, and local), and too much personal debt by many millions of Americans. One of the biggest differences in homes now and when I was growing up is in the closet space—closets filled with things we really do not use and clothes that are hardly ever worn. It is astounding to me how much people are now paying for cell phones, cable TV, and even fancy coffee. It is also unfortunate that so many people have set aside so little for their retirement or for unexpected problems. The Nation and our people would be far better off, and prosperity would be more evenly spread and certain, with far less government and personal debt. The Congress must become much more fiscally conservative or so much money will be printed in the future that it will make Social Security and government pensions worth very little.

### ✓ **Tax Reform**

The Congress has not passed major tax reform since 1986 when my father was the ranking Republican on the Ways and Means Committee and was one of the six key players on that legislation. The others were President Reagan, House Speaker Tip O'Neil, Rep. Dan Rostenkowski, and Sens. Russell Long and Robert Packwood, three of whom were Republicans and three were Democrats. Every year since then the leaders of the tax-writing committees have announced they were going to make major reforms but have been unable to do so. I have co-sponsored bills and have spoken publicly many times about my belief that our tax laws need to be much simpler and fairer. But the most powerful groups—charities, universities, many major corporations and special interests, tax lawyers and accountants, the IRS itself, the tax-writing committees—do not really want a much simpler system. While I remain hopeful but skeptical that we will do major tax simplifications, I believe it is possible and very important that we make a significant move toward

repatriation—giving companies incentives to move the several trillion they are keeping in other countries back to the US to reinvest.

### ✓ **Ridiculous Salaries**

I think the salaries of many professional athletes, movie stars, and Fortune 500 CEO's are just ridiculous. And the top person at TVA should not be making 6 ½ million each year (15 times what the President makes) when so many people have difficulty paying their utility bills. There are some who should be paying more in taxes. But tax increases always end up hitting those in the middle the hardest because there are simply not that many super wealthy people. And the goal always should be to reduce the overall tax burden, because the most wasteful, inefficient way to spend money is to turn it over to the government. There just are not enough incentives or pressures on those in government to hold down costs or spend wisely and frugally. A business that continually wastes money will soon go out of business. A government agency that wastes money simply demands more the next year. Every dollar that can be kept in the private sector will do more to create jobs and hold prices down than will any money turned over to the federal government.

### ✓ **Hidden Report**

The top front-page headline in the Washington Post on Dec. 6 said "Pentagon hid study revealing \$125 billion in waste." This was a 2015 report by the Defense Business Board, a federal advisory panel of corporate executives and consultants. The study said this much in savings could be achieved with no layoffs even though the Post described what it called a "staggering number of people"—1,014,000—in a back office bureaucracy, far from the front lines, supporting 1.3 million on active duty. The report said the savings could be achieved through attrition and early retirements, using fewer high priced contractors, and better use of technology. The post reported that the study was "buried" because of fears Congress might

cut the Pentagon budget. Federal agencies will do almost anything to keep their budgets from being cut. This is why I introduced a bill in 1993 to give half the money in bonuses to employees of any federal agency not spending all of its budget in any year, with the other half being applied to the deficit. However, there was little interest in this type of legislation at that time.

### ✓ **Homeland Security**

The budget request for the Homeland Security Department is \$66.8 billion. This Department's funding has been going up every year since it was created at two or three times the rate of inflation. Most of this increase has been fueled by lobbyists for security companies that benefit from all this spending but really do very little to protect the American people. Daniel DePetris, a fellow at the Defense Priorities think tank, has pointed out that almost three-fourths of all terrorist killings have occurred in just five countries – Afghanistan, Pakistan, Nigeria, Iraq, and Syria. On the other hand, only half of one percent have been in countries where there was no war going on at the time. Even when homeland security was only a fraction of what it is today, Americans were more likely to be struck by lightning or bitten by a shark than they were to be killed by a terrorist. Also, much of the Defense Department spending now is based on the "war" on terrorism. We do need some money on security from terrorism. But we also need to come to our senses and realize that the size of the threat does not even come close to justifying the hundreds of billions that we are now spending by federal, state, and local governments and private companies.

### ✓ **Government Secrecy**

At a recent hearing of the Oversight and Government Reform Committee, we heard all the witnesses agree that over-classification of secret material has grown much worse over the last 20 years. At that time President Reagan's top



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National Security staffer testified that only about 10 percent of classification was for “legitimate protection of secrets.” Much of this over-classification is being done because government agencies simply do not like the Congress and the media, and through them, the public, looking over their shoulders or finding out too much about what they are doing (or not doing). At another OGR hearing we found that the Drug Enforcement Agency had paid out hundreds of millions (probably a few billion) to confidential drug informants. These payments have been made with almost no accountability and the Inspector General of the Justice Department testifying that there was “no real way to determine success—whether they are batting 1,000 or 0.50.” The DEA has paid one informant \$30 million over the last 30 years and another group of eight \$25 million over the last five years.

### ✓ **Foreign Policy**

We have spent several trillions of dollars over the last many years following foreign policies advocated by a group very deceptively labeled as neo-conservative. There really never was anything conservative about them. Columnist George Will once wrote that the neocons were “magnificently misnamed” and that they were really the “most radical” people in Washington. Mr. Trump, in his speeches and interviews, has come across as not being hawkish. President George W. Bush gave many early speeches against nation building and advocating a “more humble” foreign policy. However, while in the White House, he allowed neocons to lead him in a different and disastrous direction. I hope Mr. Trump’s actions on foreign policy and war will match his words and that he will be a leader more like President Eisenhower. We need to be friends with every nation, but we simply cannot afford to try to run the whole world.

### ✓ **Nothing Gained**

Jed Babbin, an undersecretary of Defense in the first Bush Administration, wrote recently in the Washington Times about the fact that we keep sending troops to Iraq and Afghanistan and other parts of the Middle East. He wrote: “The only proper question to ask is, what can they accomplish that will last longer than our troops presence?” He added that whether these troops stay for another 60 days or 60 years, “soon after we pull out, those nations will return to what they were before we got there.” He said we might be able to re-create something like the old British colonial rule of India by keeping hundreds of thousands of troops and a few hundred thousand bureaucrats in the Middle East, “but they would have to be there for centuries to keep the peace and maintain some semblance of democracy.” Worst of all, we have lost thousands of young American lives, and we have spent several trillion dollars that we did not have and had to borrow.

### ✓ **Churchill Quote**

In Scott Berg’s lengthy biography of Woodrow Wilson is a statement about World War I by Winston Churchill to a New York newspaper editor: “America should have minded her own business and stayed out of the world war. If you hadn’t entered the war the allies would have made peace with Germany in the Spring of 1917. Had we made peace then there would have been no collapse in Russia followed by Communism, no break-down in Italy followed by Fascism, and Germany would not have...enthroned Nazism”(p583). We need more people in the Congress who are not eager to go to war, and who agree with President Eisenhower’s opposition to the military industrial complex.

### ✓ **Federal Judges**

One of the new President’s most important appointments will be to nominate a replacement for Justice Scalia on the U.S. Supreme Court. On many important cases now, there is a four to four tie. Justice

Ginsberg is 83, Justice Kennedy is 80, and Justice Breyer is 78. So it is certainly possible that there will be other vacancies in the next four years. However, as important as the Supreme Court is, it only takes about 75 to 100 cases each year. There are 862 federal judges handling thousands of very important cases each year all around the Country. These judgeships have been filled by mostly liberal judges for 16 out of the last 24 years. I hope that the President-elect will appoint more conservatives to the federal judiciary.

### ✓ **Trade War**

For years I have said that with only four percent of the world’s population, we have been buying almost 25% of the world’s goods. It is closer to 21.7% today because some former socialist countries have been forced into allowing some free enterprise. However, we have tremendous leverage on trade that we have not used effectively, and we have lost millions of jobs to other countries. Some who don’t want to give up their power or who care more about profits than their own country have said the President Elect will start a trade war if we get more hard-headed on trade. What they are not admitting, or perhaps it has never occurred to them, is that we have been in a trade war for many years, and we have been losing. China has followed a “China First” policy for years, to their great benefit. We need to tell other countries that we want to buy things from them, but they need to buy things from us, too, so that our mega-billion trade deficits start going down.

### ✓ **Other Factors**

While unfair trade deals have caused tremendous job losses in the U.S., other factors have at times or places been even more significant. Everyone always says that small businesses are the engines of economic growth. Excessive federal and state regulations, high taxes of all types, and even the breakdown of the American family have all

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caused many small and medium-size businesses to go under or even to leave the country. Family problems have caused millions of young people to be seduced by drugs and/or not to have a good work ethic. Radical environmentalism has been great for businesses from other countries but has destroyed many American businesses. It has also caused several million young Americans to be limited to restaurant jobs or graduate schools of one type or another. Erik Loomis, writing for the liberal *New Republic Magazine* in December, said, "when the environmental movement globalized, it left behind the American worker."

### ✓ **Business Startups**

Two years ago, I spoke to an assembly program at an elementary school in Knoxville, and afterwards the Principal told me I wouldn't believe all the licenses, permits, red tape and rigmarole her husband had to go through to open a one-man sign painting business in Knoxville. Jim Clifton, the Chairman and CEO of Gallup, said we are so far behind most other developed nations in starting new firms that this is now "our single most serious economic problem." He said until 2008, startups outpaced business failures by about 100,000, but then there was a dramatic turnaround. He said every year since then almost half a million businesses have been failing each year, and closures have been exceeding startups by an average of about 70,000 a year. I am not an economist, but we seem to have a recession about every eight or ten years, no matter what. We will certainly have another one if we allow this trend of more failures than startups to continue much longer. Government bureaucrats at all levels should be doing everything possible to help people start business instead of making it more difficult.

### ✓ **Costly Immigration**

No other country has even come close to allowing so many millions to immigrate, legally and il-

legally, as has the United States. And with over half the seven billion people in this world having to get by on \$4.00 or less a day, probably hundreds of millions more want to come here. Socialism has ruined the economy of most countries. The American people are the kindest, most compassionate people in the world. However, as Professor and Columnist Peter Morici wrote recently, "When the Nation is flooded with immigrants in skill categories without genuine shortages...illegal immigration drives down wages and increases unemployment, especially for America's lowest paid workers." He added in another column that "international economic and security arrangements must be rebalanced if American prosperity is to be restored and global security is to be preserved." He said this is something ordinary citizens seem to understand "but economic and foreign policy experts refuse to grasp."

### ✓ **Sanctuary Campuses**

There is a lot of group think and pressure to conform on college campuses today, so many professors and students are very quick to hop on whatever is the latest politically correct bandwagon. The latest is the movement toward sanctuary campuses, where university administrators announced they will not only refuse to cooperate with federal immigration officials, but also will help undocumented students evade the law. The President of Princeton conferred with lawyers and then said "the concept of sanctuary campuses has no basis in law" and that "colleges and universities have no authority to exempt any part of their campuses from the nation's immigration laws." The President of New Mexico State refused to go along with the sanctuary fad for fear that his university could lose federal funds and the ability to obtain visas for international students. The Governor of Texas said he would cut state funds to any Texas university declaring sanctuary status. I do not believe the overwhelming majority of the American people want federal

tax dollars going to any university that openly flouts and refuses to obey federal law.

### ✓ **Student Debt**

Total student loan debt is approaching \$1.5 trillion, and 44.2 million Americans now owe on these loans. The average for the Class of 2016 is \$37,172. College tuition has gone up 4 ½ times the rate of inflation since 1985. As businessman and TV star Mark Cuban said, if you want to make college really expensive, make it free. Yet most people do not understand this. The costs just explode on anything the federal government subsidizes because most of the pressure to hold down costs is reduced. Before the huge push to get almost everyone under this loan program, students could work part time and pay all or most of their tuition. When I went to UT and George Washington Law School, almost no one got out of school with a debt. I worked all through high school and college, working at various times as a groundskeeper, bagboy at an A&P, salesman at Sears, newspaper reporter, teacher and served in the National Guard and Army Reserve. All of those jobs helped to educate me in addition to helping pay my fees. This loan program has been very good for professors and administrators, but big loan debts at the start of careers are not good for students.

### ✓ **Infrastructure**

Some groups that benefit monetarily from spending on infrastructure act like the sky is falling and that our roads and bridges and other public works are worse than third world countries. This is simply not true. I say this and yet I favor most infrastructure spending. I support this spending for two main reasons: 1) It provides several million good jobs that have to be done in this country, and 2) We must continually maintain a first-class infrastructure so we can move goods, people, and services in an efficient, cost-effective way that keeps prices low for people at



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home and our exports competitive in other countries. Our infrastructure is one of the best in the world, but other countries are coming on fast as they move away from the failed socialism of the past. But we need more competition in most infrastructure fields so we can make improvements in a way that is fair to the taxpayers. And we especially need more work on our often neglected, out-of-sight, out-of-mind wastewater and drinking water infrastructure.

### ✓ **Medical Research**

Another type of spending that I have pretty consistently supported through my years in Congress is that on medical research. I have opposed far more federal spending than I have supported, because our Nation is now a mind-boggling \$20 trillion in debt. We are spending money we do not have. The easiest thing in the world is to spend other people's money, but we need to make sure this money is being spent wisely and

not just because some TV or movie star wants it spent on his or her pet cause. I have a brother-in-law who is very courageously dealing with Lou Gehrig's ALS disease. I have met with many parents of severely disabled children and others dealing with terrible diseases. We seem to be on the cusp of some major medical breakthroughs, and I think almost everyone wants the National Institutes of Health and the Centers for Disease Control to do everything reasonably possible to make sick people well.

### ✓ **Fidel Castro**

Fidel Castro was a cruel man who gained power by killing people and stayed in power by torturing and imprisoning opponents or forcing most to leave the Country. His people were kept from starving only due to massive handouts from other communist countries, money sent from relatives living abroad, and a black market. God has blessed every nation with natural beauty and/or natural resources (usually both)

that could make a country rich if it had honest leadership, private ownership of property, and free market capitalism. Socialism simply does not work. Cuba, with so much oceanfront property, and so much sugar and other resources in the interior, could be a paradise if it can ever break free from its Castro chains.

### ✓ **Free Country**

I am very thankful that we have a free Country, and people certainly have the right to kneel during the national anthem or bow their heads as a way of expressing shame for our Country or showing disrespect for our flag. But people also have the right to find those actions disgusting. Several columns and articles referred to the athletes who did those things as "patriotic heroes." There was nothing patriotic or heroic about their actions. The true patriotic heroes are those who have given their lives or been maimed or who have saved lives fighting for our Country. Anyone who has



*This picture was taken when I visited with the fourth grade at Christian Academy of Knoxville. I have spoken over 1500 times to school groups either on campus or when they visited me in Washington D.C. to tell them about my work in the Congress. My most recent school assembly programs were at Jellico Elementary and J. Frank White in Harrogate.*

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served honorably in any branch of our military deserves respect and appreciation. However, we use the word hero too easily. I am sure that most who served in our armed forces would not call themselves heroes. Also, we have gotten into too many wars that we had no business getting into, especially in the Middle East. But that is not the fault of the soldiers and sailors. It is because we have had too many leaders too eager to go to war and too many defense contractors who wanted the big money that war produces.

### ✓ *Population Loss*

Roughly two thirds of the counties in the U.S. are continuing to lose population as people keep moving from small towns and rural areas and from high-tax states to low-tax states. However, many small towns and rural areas that are very near popular urban areas have had fast growth, such as counties that surround Knoxville and Nashville. Economist Stephen Moore, in a Dec. 5 column in the Washington Times, pointed out that the ten states with the most liberal electorate have had the most domestic migration over the last 10 years, with nearly 2.75 million more Americans leaving New York and California than entering those states. The greatest population losses and worst government financial problems are almost always in states and cities that have had liberal leadership for many

years. These are also the states and cities that put the most pressure on Congress to bail them out of their financial problems.

### ✓ *Cashless Society*

Some very powerful people want the United States to become a cashless society. I hope this does not happen. If it does, it will be another blow to the little privacy we have left and another loss of our freedom. Forbes Magazine on Dec. 14 reported on India's move to remove 86% of its currency from circulation: "Suddenly, hundreds of millions of people were left without the means to engage economically, to buy the things they wanted and needed, and myriad businesses were left without a readily available mechanism to receive payment for their goods, to buy supplies, or pay their staff." Several years ago, some multi-national companies and world government advocates made a big push for the U.S. to go metric. The great majority of the American people did not want this, and the Congress responded and stopped this movement in its tracks. I hope the Congress will not succumb to this move to a cashless society. It is too easy to spend with a little card. People would be less likely to spend and have less debt if they were doing it mainly with cash. If people want to go cashless voluntarily, that is certainly all right. But they should not be forced to do it by orders of a powerful central government or by entirely big business.

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