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We should celebrate, tonight, the progress that has been made in human development. Never before has there been more Hispanics in business management, in colleges, in government service. However, as we celebrate, we ought to examine the other side of that coin.

Washington county is one of the most affluent and rapid-growing counties in Oregon. Few counties either in Oregon or throughout the U.S. face such prosperity. But, in Washington county, there is also poverty within the hispanic community. We should keep our eye on the record which obviously needs betterment.

One of the things I like to do during my visits to my district -- in addition to speaking to local Rotary Clubs or local Kiwanis Clubs -- is to go out and see what is happening to those who are the most vulnerable in our community. I remember a visit to the Virginia Garcia Center in Washington county, and the experience I had there, I wish the David Stockman's of the world would be able to see. If they'd been with me on that occasion, I think that they'd understand that the budget cuts proposed in human services are fundamentally unfair. Let me share with you the experience I refer to.

After 45 minutes of looking at examining rooms in the clinic, talking with the staff, paid and volunteer, and talking to some of the clients who were there, I was walking down the hall and one of the nurses brought in another patient. The nurse said, "Congressman, I'd like to show you something." I walked back in the room, and in the nurses arms was an infant. The infant probably measured this much. The child was one year old and had a strange metallic kind of sound in its cry. And I asked the nurse what the matter was. The nurse responded, "Congressman, this child is the child of a farm worker. An 18 year-old girl who when confronted with the fact that the baby had a case of dysentary, listened to some advice of the older women working in the fields. They told her that rice water is something that settles the child's stomach." Because there were no child-care facilities that could have helped detect this problem, that mother continued to feed the baby rice water for three and a half months. And this, then, was the result.

If a modest amount of assistance had been available for a day-care facility, that child might not have had the disformities that will never be cured, she might have been able to escape. From that experience, I resolved to myself, and although that was two years before David Stockman ever took office, I resolved that that would be the moral test that I would apply as I evaluated the various claims on federal spending that might be proposed -- military spending, space agency spending, whatever. I would evaluate how it measured up to the neglect that we're seeing in human services, particularly for the political weakest, the most vulnerable. It made me realize something that I'd like to share with you and that is what, after all, a budget ought to be thought of as being.

The government budget is more than just a dollar and cents statement of an account. It is a dollar and cents definition of the political values of a whole people. It is where we choose to put money, as a country, and where we choose to take it away which says who we are as a people. My friends, let me review to you tonight, that where we're putting the money in this year's budget and last year's budget, who the winners are and compare it to the list of the losers. This budget, at a time of a record deficit, proposed to spend \$1.6 trillion over the next three years to finance the largest military build up this country has ever seen. Do you know that the total of the national debt, over 200 years, is slightly over 1 trillion dollars. And yet, in the next three years we're being asked to fund this massive military arms build up to the tune of \$1.6 trillion in new spending -- that's where the winners are. And what does that buy? It buys a lot of amazing things. In five years, it buys a \$4.2 billion national civil defense scheme in which this government proposes to build bomb shelters when we're not doing enough to build real shelter for people in need. Under this plan, we will evacuate people to safe staging areas around the country to protect against nuclear attack somehow thinking they will be safe if we spend this much money.

There are no survivors of a nuclear war -- absolutely no survivors. The \$4.2 billion going into bomb shelters could be better spent on the Virginia Garcia Centers and in the farm workers housing and in all the housing for all Americans then in that category.

I don't imagine that there's anyone here who hasn't heard about the B-1 bomber -- another claim on that \$1.6 trillion. The B-1 bomber is going to cost, in its initial phase, 1 billion dollars -- 1 billion dollars. It is designed to come off the assembly line in approximately 1986 if everything works right. If it does, do you know what the Soviet Union is doing at this moment, while we're planning to spend this money on the B-1? It's putting together the most sophisticated radar system known to mankind. A radar system that will detect conventional aircraft hundreds of miles before those aircraft ever come close to Soviet air space. Question: what year will the Soviets plan to have their radar system fully in place? 1990. That means that if we have the B-1 system delivered on time, we have it for four years before it becomes obsolete and that 1 billion dollars is down the drain. That, I think, is a false claim on the Treasury at a time when the American people are feeling real pain in the communities and the neighborhoods and the farms across this land.

I can't get off this subject without mentioning one other particular military expenditure which causes me the same degree of difficulty, and that is the M-1 tank. \$33 billion on cost overruns on this tank -- over what the contractors said this tank would cost. And then when it came off the assembly line, the tank can't do what tanks are supposed to do. Every tank since WWII has supposed to have been able to not only fire its cannon, but it is also to be able to bury a whole in the ground to escape incoming rocket rounds. This tank can't do that, and so, it's vulnerable on the field of battle. And so, upon recommendation of the Pentagon, they're planning to spend an additional 1 billion dollars for a new vehicle called the ACE. Do you know what the ACE is supposed to do? It's supposed to bury holes for the M-1 tank! Unbelievable. Those are some of the winners in the budget.

But let's reveal who the losers are. Who the victims are in a budget which allocates this massive increase in spending for the military on the other side. The victims are those who'd like to have a secure retirement and would like to have the 40 billion dollars in social security funds that they'd paid into the system. And those benefits are in doubt under the budget being proposed. Some of the other victims are those who need nutrition programs -- children. Children who need nutrition to grow, to avoid sickness and disease, in order to be able to succeed in adult life. Others are those who'll be denied a day in court because they cannot afford a lawyer on their own and because funds for legal aid will be denied. Others are poor children who would like to be able to have access to education programs to give them an opportunity to escape the poverty that they live in.

The list goes on. We've all read these numbers and looked at this debate in the newspapers and heard it on the media. And as we think about human development, I think it's really important to review them once again and say to ourselves "What's going on here? What's going on here in this country if this is the allocation of resources we're being told to buy and if this is the definition of the American character in the eyes of those planning the budget?"

The best answer I've found are the words of someone I'm not trying to be partisan in criticizing because of the peculiar thoughts he expresses from time to time. And I'm thinking about James Watt -- the brilliant environmental thinker. He also has very peculiar ideas about the budget dilemma that we're facing. Mr. Watt said something at the beginning of the term that I find very interesting as we review these figures tonight. He said, speaking of the administration, that you need to understand what the agenda is. We

intend, he said, to use the federal budget as an excuse to radically change the direction and character of the federal government. A fundamental, ideological change is being worked, through the budget, on America. And the winners and the losers I've described tonight show you the product in the first few years of that effort. The ironic thing about it is that the budget cuts that have been imposed have not done a thing to reduce the deficit that's clobbering this country's economy. \$36 billion in cuts is the largest package of budget cuts ever passed by a Congress of the United States in a single session. But they all came out of one small part of the federal budget -- human services, principally. A part of the budget that represents 17¢ out of the federal budget dollar. And rather than reduce the deficit, it instead financed the military build up that I've described. A \$40 billion increase in the last year, while human services were being reduced \$36 billion. And so, it's ironic to me, and so I would think to most Americans, to see that at the end of this first year of these budget cuts, the total amount of federal spending under the Reagan-revised budget, was roughly the same amount of spending that President Carter left in his last budget when he left office as he was mandated to leave by the constitution. Almost exactly the same. Think about that.

In view of that, it's worth remembering on what basis this budget package was sold to the Congress and sold to our country. The basis on which this package was sold was a prosperity that we were told we'd never seen in American history. We would see this package, along with the tax cuts, generate so much prosperity and so much business confidence so fast that we would have an immediate, unprecedented boom that would lift the entire society, rich and poor alike. My friends, it was that claim that distinguished this program from a naked, raw transfer of money from the bottom of society to the top. The only thing that made the difference.

And yet, that prosperity is not here. At least, not as I listen to the Oregonians that I represent. Unemployment is at a record low. Profits are down. Bankruptcies are up. Where's the prosperity? Because of that lack of prosperity, this country has not one, but two deficits that we should be concerned about. First, the obvious deficit that we have in the US Treasury -- \$182 billion. And we have another deficit -- one that I see as the most pernicious deficit of all. My friends, I refer here to a moral deficit. A moral deficit because we are not facing prosperity, but a redistribution of wealth from those who are most in need to those who are not the most in need. Without that prosperity, I think the moral basis of Reaganomics totally collapses.

You know, military spending advocates who I, as a member of the Appropriations Committee, hear day-in and day-out continue to talk as they have in the last 12 months about something called a "window of vulnerability". They use that term to describe the need for this massive, unbelievable increase in military spending. They say we have a window of vulnerability. But let me tell you that this Member of Congress sees a different window of vulnerability. I see a vulnerability in this country when 10 million Americans are out of work and out of hope. I see a vulnerability for all Americans when a poor child can't get the education he needs to escape the poverty he has, his family has and his ancestors have had. I see a vulnerability for all Americans when big business can escape tens of billions of dollars in taxation by selling their paper tax losses to each other and while senior citizens are threatened, on the other hand, by a 40 billion dollar drain in Social Security benefits, benefits they have earned. I see a vulnerability for all Americans when any American citizen is denied a day in court regardless of his or her income. That's a vulnerability for the whole society. And I see a vulnerability in this country when we cannot have quick passage of a voting rights act that guarantees access to the election process by all Americans regardless of their backgrounds, regardless of their beliefs. And finally, my friends, I see a vulnerability for all Americans when the immigration service of this country launches raids in a reckless, cross-the-board way. So there

is a real window of vulnerability here in Oregon, across the country. And it's a vulnerability that comes from the human spirit when times are tough and we can't reach out anymore and better the opposition for those who ask only for a chance. That's the vulnerability that we're dealing with tonight. And I guess what we have to ask ourselves is what do we do to change it. I think it begins in recognizing the real successes, and successes we have had -- tremendous individual successes. We need to celebrate those successes of communities like this and on individual cases where institutions, corporations, firms and individuals have taken that extra step in advancing human development.

It also requires, however, a careful look at the policies that are proposed for this country, recognizing where the dollars and cents go and understanding that where we put the money and where we take it away describes, for all of us, what our political values are.

We have a challenge before us, the likes of which I don't think we've ever seen. Working together in this community, networking with other communities, and appealing to conscience, with the leadership that's here and throughout the country, I think it can happen. But while we ought to be confident, we ought to understand the nature of the task. I want to congratulate you who support the important work of this corporation. And I want to also give my congratulations to those who live day-in and day-out in advancing the aims and goals of this corporation.