Mr. Speaker, I am delighted to be here tonight to talk

about a number of issues that are of grave importance to this Congress

and to the people of this country. I will be joined by some of my

colleagues tonight who represent districts all over this country.

We are going to talk about a number of things tonight. We are going

to talk about fiscal responsibility, which means money. It means we are

going to talk a little bit about how in this Democratic majority

Congress we have now taken a new responsible approach to spending the

taxpayers' hard-earned tax dollars, because that is one of the main

reasons that the taxpayers of this country sent a new Democratic

majority to Congress, because they saw what had happened under previous

Congresses. They saw that the Congress had engaged in borrow-and-spend

policies that had left us with huge deficits, where before we had big

surpluses, now we were running out of balance. And everybody knew that

they couldn't run their businesses that way. They couldn't run their

homes that way. And so they sent us to Congress to make a change about

what we were going to do.

We are also going to move to talk about health care. We are going to

talk about health care for kids because that is an issue that is very,

very current. The President has vetoed a fiscally responsible, that

means responsible with the money of the taxpayers, bill that would

provide health care for the neediest kid in the country. He has vetoed

that legislation. He said he doesn't want to have health care for our

kids by vetoing that legislation.

We are going to be coming up for a vote in not too long about that.

So we are going to talk about what it means for kids and for health

care, and we are also going to sort of compare that to what is going on

with the spending on the war in Iraq because the President and his

administration have come and said they want to spend $191 billion more

this year on the war in Iraq but they don't want to spend $35 billion

to insure our kids.

I will just talk briefly now, and I have got a chart up, that shows

you where we were when we started this Congress, what had happened with

the mess. It is an example of what we were sent to fix, because this

chart shows public borrowing by the administrations and the annual

average of what we had to borrow to run our government. What you can

see is where we came in to Congress. What we saw was, if you take a

look down here in the lower corner, we started with President

Carter. That little blue line shows that we were borrowing about $50

billion. Then you can see what happened under Presidents Reagan and

Bush. Then you can see over here that under President Clinton we were

able to handle the taxpayers' money in a responsible way. In fact,

President Clinton, who was a Democrat, handled money so responsibly for

the taxpayers of this country that when he left office in the year 2000

we were looking at budget surpluses over the next 10 years in the

trillions of dollars. But when the Republicans took control, when

President Bush came in, in 2000, he turned that upside down and topsy-

turvy, and what we were left with coming into this Congress was the

fact that President Bush was borrowing about $300 billion during his

first 6 years. He had turned surpluses upside down into huge deficits

that left us in the hole as far as the eye could see.

That is what we came in with. We came in with that, and we had to

restore fiscal responsibility. Now, ``fiscal'' is a big word. It just

means being responsible with the hard-earned money that the taxpayers

of this country send to Washington so that an effective government

honors local control but is able to get the projects done and run the

programs that the people of this country expect. They expect us to be

stewards of the public trust. By that, I mean they expect us to be

honest about how we are spending their money. They expect us to use

their money wisely. They expect us, just like they do at home and in

their businesses, to balance things out and not spend more than we take

in. And they want to make sure that we are spending their money wisely.

So what we did in very short order, and then I will throw it over to

my good colleague from Wisconsin, was the first thing we did when we

came into Congress was we established, reestablished, what are called

pay-as-you-go rules. It basically means if you are going to increase

spending over here, in order to keep the deficit from getting worse and

making sure we are headed towards balance, we have to decrease

something over here. So we put in these pay-as-you-go rules. Every bill

that is covered by those rules has been a fiscally responsible thing to

do. It means that we are using the taxpayers' money wisely as we head

towards a balanced budget. Because the other thing we did was in the

Democratic budget proposal, we set this country on a new track to be

responsible about the taxpayers' money. We said we are going to

establish a balanced budget by the year 2012. We are going to do that

with the pay-as-you-go rules and making sure that we are restraining

Federal spending, that even as we shift priorities towards health care

for kids, health care for our veterans, benefits for our wounded

warriors, with the greatest rise in spending in veterans' benefits in

the 77 years of the Veterans Administration, even while we are spending

money on competitiveness, we are headed towards a balanced budget with

pay-as-you-go rules because we understand that it is not our money. It

is the taxpayers' money. Our job is to spend it wisely and to spend it

in a balanced way. We also got rid of something called ``fast

tracking'' in order to make sure that our spending was responsible.

Now, with that as a framework, one of the things we are still facing

are huge costs for the war in Iraq. As I said earlier on, the President

and the administration has now come and said they want $191 billion

more this year for the war in Iraq. We have had a bill that would help

insure our kids that would cost about $35 billion. So really, we are

faced with a choice in this country. Are we, and are my colleagues

across the aisle who are supporting the President, going to decide that

it is not worth the investment to invest $35 billion over 5 years in

health care for kids, but it is worth the money to invest $191 billion

in the war in Iraq? Is that the kind of choice we, as a country, are

going to make? Is that something that is sound policy? Does it make

sense for our kids? Does it make sense for health care? Does it make

sense for the taxpayers? Does it make sense for the country? Those are

the kinds of questions that we have to answer.

Now, I would like to turn it over to my good friend from Wisconsin,

Dr. Steve Kagen, a man who understands what health care is about, who

has been in the trenches helping kids get well, helping families stay

healthy. He understands things about children's health care. I am going

to turn it over to you, my good friend from Wisconsin, Dr. Steve Kagen.

Well, it is really an important point to underscore, and I

appreciate your saying it, which we all agree, that there is nobody on

whatever side of the debate you're in about Iraq who doesn't understand

that our troops have served with extraordinary bravery and courage.

They have performed. It is really up to the policymakers. It is up to

the administration, who makes the policy. It is up to Congress, who

makes the policy, the Senate. It is up to the policymakers, who send

our military to do the job to make the right judgments and right

decisions about when they should be sent, under what conditions they

ought to be sent, and what their mission is.

Mr. Speaker, one of the real sad failings is that the mission here

has changed so many times, nobody knows what it is anymore. Seventy

percent of the American people now understand that whatever it is that

we have tried to do in Iraq hasn't worked. The Iraqi Government has not

stood up. We have spent lives, our brave troops have given their lives,

thousands and thousands of wounded, at a huge cost, because so far we

have spent about half a trillion dollars in direct costs for the war in

Iraq.

Half a trillion dollars. That has got so many zeroes that I really have

trouble figuring out and contemplating wrapping my brain around what

half a trillion dollars is. That is $500 billion.

That is an awful lot of money to experience what we have experienced

in Iraq, because it's clear now that the war hasn't made us safer and

more secure. It's clear that, unfortunately, al Qaeda and the Taliban

are still strong and resurgent in the Pakistan-Afghanistan area, and

still threatening to us. The region is more unstable.

Mr. Speaker, it is clear we need a new course. But we don't often

talk about the costs, because it is not just the $500 billion or half a

trillion dollars we have spent in direct costs in Iraq, but we are

facing $1 trillion-plus in total costs for the care of all those who

have served in Iraq, who are going to come home and need care on an

ongoing basis as we go forward. And the costs in lost productivity to

society are huge.

When you think about the comparison of the costs between what we have

spent in Iraq and what we could spend that money on in terms of

providing health care for our kids, as this Democratic Congress in a

bipartisan way has proposed, because the SCHIP bill that we sent to the

President was a bipartisan bill, we passed a bill in the House and then

we sent it over to the Senate. They compromised. We worked with the

Senate and we compromised on the bill. The Senate had some different

ideas. They sort of reduced things in some areas and sent it back to

us. We then sent this compromise bill to the President.

But even though it was a compromise bill, and even though it was

supported by 45 Republicans in the House and numbers of Senators on the

Republican side in the Senate, and I can talk about some of what they

said later on, the President decided that $35 billion was too much to

spend on our kids. He decided that $35 billion over 5 years for kids'

health care wasn't worth the investment; that $35 billion for American

kids who needed health care, American kids at the lowest income levels,

struggling families trying to make ends meet, was not something that

the President of the United States was willing to invest our money in.

This, despite the fact that in previous speeches he had promised that

he was going to cover millions of new kids for health care. But for

some reason, when the Democratic-controlled Congress sent it to the

President, he decided that it was too much. He also decided that he

could ask us for $191 billion more for a failed policy in Iraq.

Mr. Speaker, here is how it breaks down. Here are the facts. Here are

the figures. They are shown on this chart that I have.

What this shows is that 37 days in Iraq would pay for 10 million

children to have health care every year. It shows 37 days in Iraq, 10

million kids with health care. One day in Iraq is costing us $330

million. That money, $330 million in the SCHIP program, would cover

more than 270,000 kids. Just stop for a minute and think about those

numbers.

Dr. Kagen, I don't know about you, but where I come from, $330

million is a significant amount of money. That is what we are spending

every day in Iraq. It would cover more than a quarter of a million kids

for a year of health care. When you get into a week in Iraq, we are

spending $2.3 billion, that is billion dollars, $2.3 billion every

week, and that amount of money, if we spent it on SCHIP, would cover

1,891,000 kids. That is a huge number of kids, for 1 week of Iraq war

spending. And it is hard to say we are spending our money wisely in

Iraq.

Let me just tell you a little bit about a hearing that I was on. I

have the privilege of sitting on the Oversight and Government Reform

Committee, and one of the issues we took up in the past couple of weeks

was the issue of the cost of corruption in Iraq.

Now, the Middle East has always been a difficult place when it comes

to how governments spend money, how they account or don't account to

their citizens, what kind of accounting practices they have, and the

issue of corruption has traditionally been one that throughout the

Middle East has been a significant problem. So you would think, for

instance, that maybe in Iraq, now that we are there in such strength,

we have 160,000 of our troops fighting there, we have support

personnel, we have a huge number of contractors, another bit of a

problem that we ran into. But with all these contractors and all these

people and all the American money and all the oversight and all the

planning, you would think that maybe after 5 years of the Iraq

occupation we would be in a position to do something about the

corruption in Iraq, to make sure that money was being spent wisely,

because if you are going to spend $2.3 billion in one week in Iraq,

which otherwise would cover almost 2 million kids for health care for 1

year, you want to make sure that it is going to be spent well. You

would think you would want to make sure.

So at this oversight hearing we had on October 4, we had the chief

judge from Iraq who was dealing with corruption and accountability

under the new al Maliki government that we have supported come to our

hearing. By the way, he is no longer in Iraq, because he fears for his

life. So not only is there a problem on the money side, but there is a

problem when people try to do something about it. He now fears for his

life, so he is over in this country, and he came to testify. His name

is Radhi Hamza al Radhi, former head of the Iraqi Commission on Public

Integrity.

He took the oath, and testified as follows. He told us that the

corruption within the Iraqi Government has cost the Iraqi people $18

billion. So instead of its original purpose, infrastructure, new

hospitals, electricity, things that the people need, he told us the

money is now being used to finance terrorist militias in Iraq.

Also of note with this government of al Maliki that we are

supporting, what the judge said was, when we asked him, why are you

here and what happened when you tried to do something about the

corruption? What he said was, well, I tried to investigate many cases

of corruption within the government of Iraq and with Iraqi officials.

It was my job. I was set up. I was supposed to coordinate with the

Americans who were overseeing the corruption and coordinate with the

Iraqis who were overseeing the corruption. My job was to investigate

corruption.

But he ran into a bit of a roadblock. You know what he told us the

roadblock was? The roadblock, for example, was Prime Minister Maliki

himself, who blocked his attempts to uncover the truth and to deal with

corruption. Why did he do it? He did it because the people that the

judge was investigating were Shia, so the Prime Minister didn't want

those people investigated, or because they were related in some way to

the Prime Minister, so those people couldn't be investigated.

So with the money we have poured into Iraq, the money we have poured

in for reconstruction and other things, the Iraqi Government is missing

$18 billion worth in corruption. That is what we are dealing with in

Iraq. That is where our money is going. And instead of covering our

kids for health care, we want to spend another $191 billion more in

Iraq.

Dr. Kagen?

As I hear the stories that you are telling me from the

folks back home in your district in Wisconsin, it literally breaks my

heart to think, as a Member of Congress, we are having to fight, we are

having to fight hard for the people of this country to override a

Presidential veto which says we are going to spend money on a failed

war instead of spending money on health care for our people. Health

care for our people. We would rather spend the money over there on

something that isn't working. But questioning whether or not we are

being wise about making a basic investment in the health care for kids

with a program that has worked well to help lift kids out of poverty

and into health, because when kids are healthy, they can learn. When

the kids are learning and productive, their families are working

better. Those are the kinds of things that the American people expect

us to be spending our money on.

They are asking those questions. Why are we spending so much money in

the sands of Iraq and with so little to show for it and why aren't we

investing for kids at home. And they may not even know where all that

money is going because the numbers are so big; $191 billion, what does

that mean to anybody? When I carry around a $10 bill in my wallet, I

can handle those sums. But $191 billion, what is it going for? What is

it paying for? What kind of value are the taxpayers getting for what

they are spending?

It is a fair thing for the American people to expect

competence from their government. They expect us to manage their money

well, to manage it wisely, to be smart and be prudent and to be

basically competent. That is one of the things that an effective

government does.

When you think about some of the ways that our government has

unfortunately mismanaged the effort in Iraq, the imagination cannot

even keep up with what kinds of things have gone on.

Here are a couple of things. We know that the Bush administration has

tragically mismanaged the war. The money we have spent on contracting

has just been like throwing it out the window because we have had

contracts upon contracts and subcontracts, nobody knows where the money

has gone. Somebody is making a lot of money in Iraq. It was a free-for-

all from the beginning with no-bid contracts, contractors piled on top

of each other, and millions and billions of dollars.

We heard in one of our hearings in the Oversight Committee how we

shipped $12 billion in cash over to Iraq during the early days of the

occupation. The money was just given away to the ministries in Iraq and

spent without any kind of accountability. And there have been how many

prosecutions for war profiteering? Very few.

Luckily, our Congress in the past few days has enacted the War

Profiteering Act, and we hope that will mean some real accountability.

But there are billions unaccounted for. We have spent more than $50

billion on U.S. contractors for relief and reconstruction activities in

Iraq alone; yet we heard in our hearings how these contractors who were

being paid millions and billions of dollars weren't getting the jobs

done. Things were left unfinished. The money was being wasted, and with

all that, the Special Inspector General for Iraq Reconstruction had a

report recently. He said that the Coalition Provisional Authority in

Iraq, that was the government that we set up under Mr. Bremer, who is a

good friend of the President, we set up this Coalition Provisional

Authority. He said, I am the ruler of everything, I'm running the show.

He ran the show. They can't account for $8.8 billion. I will say it

again: They can't account for $8.8 billion.

If you look at what that involves, that is about the money to insure

over 8 million kids under SCHIP, $8.8 billion. That is about the

equivalent that it means. Gone, unaccounted for, can't figure it out.

That is not competent management.

Take the issue of Blackwater that we have dealt with in hearings the

other day. We found out that this company, Blackwater, which is

providing security in Iraq and which now is under question for a

terrible incident in which many Iraq civilians seem to have been gunned

down, it is now being investigated by the FBI. Well, Blackwater is

charging the government $1,222 a day for the services of a private

military contractor. Each person they have got, $1,222 a day. That is

$445,000 a year for each of these security guards, and that is over six

times what we pay an equivalent U.S. soldier.

When we heard that during the hearing, we sat there stunned. We

scratched our heads. We brought in the State Department and asked them

what they knew about it. They couldn't give us any good answers. They

were being

guarded by these guys at these exorbitant costs, but they were not

willing to talk to us. They weren't able to talk to us and couldn't

give us any answers. We wanted to know why shouldn't we have U.S.

soldiers perform these duties at a much lower cost.

Now, one of the things that we expect from our government is

competent management. We certainly haven't gotten it in this effort in

Iraq, and we want to make sure that our kids are covered. We have

incompetent management in Iraq, or are we going to cover our kids.

Those are the kinds of choices that we are facing. They are pretty

basic choices.

It is extraordinary to stand on the floor of the House of

Representatives and have the privilege of representing hardworking

families in this country who get it. I believe the people of this

country know in their hearts that our kids are important. The kids are

not Democrats or Republicans; they are American kids. That is why the

SCHIP bill is a bill about American kids. It is not a partisan bill. In

fact, it had enormous bipartisan support. That's why 45 Members of the

House of Representatives who are Republicans supported the bill. That's

why it was supported in the Senate by so many Republican Senators.

Some of the things that were said by Republicans about the SCHIP

children's health care bill which our President has now vetoed and

which we are trying to override so we can bring health care to the most

needy American kids, so we can make the investment that the American

people understand is the moral thing to do, the smart thing to do with

money, the smart thing to do for our future, they understand our kids

are our future. Here is what some Republicans have said about that

bill.

Representative Rehberg from Montana said: ``I think it is a sensible,

reasonable compromise.'' Sounds right to me. He said that on September

25.

Representative Thomas Petri, a Republican from Wisconsin, said: ``A

lot of hard work has been put into this bill, including the successful

efforts of Senators Orrin Hatch of Utah and Chuck Grassley of Iowa,

both good Republicans and conservatives. So,'' he said, ``I am

comfortable that this bill is the right compromise, that it will

provide much-needed health insurance for the Nation's low-income

children, and do it at a reasonable cost.'' He said that in the

Northwestern in Wisconsin, a paper, on September 25 of 2007, this year.

Representative Wayne Gilchrest, a Republican from Maryland, says,

``This is a compromise version of the bill which has the support of a

broad coalition of groups. It focuses on the lowest-income kids, and

fixes a lot of problems with the current programs.''

Now, these aren't the words of Democrats. These aren't the words of

people who some folks might even dismiss as liberals. You know, when

you use the word ``liberals,'' just trying to spend people's money,

they say.

These are the words of my Republican colleagues who sit here day

after day and have come together in a bipartisan coalition, in a

bipartisan way, as good Americans to send the President a reasonable

compromise that represents the best thinking, the best work that we

could produce to cover our kids. Because the children's health care

bill that we sent the President is not only good health care for kids,

it's good health care, period. And it's done in a responsible way

because what we did was we said we'll spend $35 billion over 5 years,

we'll fix some of the problems with the current program, we'll not only

insure the 6 million kids who are now the beneficiaries of this SCHIP

program, but we'll expand it to about 3.8, almost 4 million more kids,

but we're going to pay for every penny of that investment. How are we

going to pay for every penny of that investment? We're going to frankly

ask smokers to pay some more than they're paying now and use that money

to pay for our kids.

So there's a trade. We have health care for kids and sound health

policy because when we have smokers, we've got secondhand smoke, we've

got huge rates of disease. So we're going to be sound fiscally. That

means spending the taxpayers' money wisely. We're not going to spend

new dollars. We're going to take from over here and pay for our kids

over here.

So that's what we proposed, and as I said, all these Republicans,

good, good Americans, and our colleagues here decided that it was worth

it on a bipartisan basis, and here's what the President proposed. Here

was the President's approach to what he wanted to do for America's

kids.

Under the President's budget, 840,000 of our kids will lose their

SCHIP coverage. Eight hundred forty thousand kids under the President's

proposal will lose their health care. That's what he wants to do, and

what we proposed, in a bipartisan way, in this Congress, one of the

stunning achievements of the 110th Congress was doing what the American

people asked us to do, because one of the things I heard when I came to

Congress was we want to see

you folks get past the bickering. We want to see you folks get past all

that gridlock in Congress. We want to see Republicans and Democrats

come together, come together and put the interests of Americans first.

And so on this bill, the kids' health bill, that's exactly what

happened. Republicans and Democrats came together, sent it to the

President, and said, Mr. President, this stunning example of bipartisan

cooperation is ready for your signature, pick up the pen and help

America's kids, Mr. President.

And what the President did and I personally in my heart of hearts

find it not just disappointing but disgraceful, that what he did was he

vetoed that bill. And now we're faced with trying to bring some of our

Republican colleagues along to help override that veto so our kids, our

poorest kids can have health insurance.

I yield to the gentleman.

Well, I hear you loud and clear, and I think the American

people do, also.

You know, there's often a mistrust of politicians, and you and I came

to Congress not from lives as professional politicians. You and I came

to Congress because we saw trouble in our country. We saw priorities

that weren't being handled right. We saw policies that weren't working

for hardworking American people. We saw a country we loved where the

Constitution was treated as a nuisance, where the American people

weren't told the truth, where the real needs of hardworking folks in

our districts, in our home States, the needs for health care, for good

schools, for good jobs, for rational trade policies, for an end to wars

that didn't work weren't being answered by the politicians when we ran

for office.

You were a doctor. I practiced law for years. I was never in the

State legislature. I don't think you were either. We came here to do

the most good for most of the people all of the time.

And on this bill in particular, it is such a shame that it has become

any kind of political football. We didn't make it that way. What we did

on this bill was we reached across the aisle and we said to our

Republican colleagues, come on, this is for America; we can at least

agree on this, that we're going to get past the gridlock, we're going

to help kids because that's what Americans are about.

We're good, decent people who understand that our kids are our

future, and whatever political party we're in, our kids are our future.

We love them and we want to help them. They shouldn't be sick. The

sight of one sick child who otherwise could have been helped with the

SCHIP bill, who goes ill, who lies there sick because his family or her

family can't afford to take her to the doctor because this President

has decided that a war in Iraq is worth spending $191 billion on but

our kids aren't worth $35 billion over 5 years is something that I

think you and I have a hard time understanding. It has a direct impact.

And for us as politicians here in Washington, sitting in the House of

Representatives, it's a great privilege, great honor, great obligation

which we take seriously, but ultimately, the way change happens in this

country is at the grassroots. It's people around America, and there are

probably a lot of folks who are listening to us tonight because this

goes out all over the country, and what I'm begging the people of this

country to do, what I'm asking is that it's up to them, Mr. Speaker.

It's up to the people in this country to say to the President, to say

to their representatives, whether they're Republicans or Democrats, who

haven't voted for the SCHIP bill and who have got to vote to override

this veto, it's up to the people of this country to step up, step

forward, use e-mail, use mail, use the telephones. Don't let this go.

We need the people of this country to step up and speak to their

representatives and say this veto must not stand. It's not right for

America. It's not who we are. It's not the moral thing. It's not the

right thing to do monetarily. It's not the right thing for our kids, to

send a message loud and clear to the

President of the United States that says we're not going to stand down

with you, we're going to stand up for our kids.

Because if we don't do it, if the people of this country don't do it,

if the House of Representatives, if the Congress won't stand up for

kids, we know the President won't, who will? We have the opportunity in

the next week or so to come to a vote, and I think it's going to come

up to the floor of this House on Monday next week. Maybe I'm off on my

date. It will be the 18th of October. There's going to be a vote right

here on this floor where you and I are standing of whether or not we

are going to override the President's veto, and I want my colleagues

and especially those who we need on the other side of the aisle who are

thinking about whether or not to support the President or support the

kids to hear from the people of this country, because I'm betting, as

sure as I'm standing here representing the good people of New

Hampshire, I'm betting the people of this country want the President

and the Congress to stand up for kids, not to stand down with the

discredited President.

That's what I'm betting. That's where I am putting my money. I'm

putting my money on the kids, and I'm putting my money on the people of

the United States of America. What do you think?

You know, in my home State, the bill would preserve care

for 11,000-plus children, and we could add 8,000 children with our

bill. I think, as we have talked tonight with each other and with the

American people about what this means for our children, it is clear,

certainly, that you and I are here listening to the American people,

trying to do the best we can for hardworking families and our kids.

There is nothing as simple. It's a pretty simple proposition we face.

Are we going to stand up for our kids, or stand down with a discredited

President, and we both said that we need the American people to speak

loud and clear, because we are two voices among many. But the American

people can speak on this issue with a solid unified voice, send a

message to Congress, send a message to the President, that we will

stand up together for our kids. It's the least we can do. It's the best

we can do. Together, we can make a difference for the kids of this

country.

Thank you for having a great evening and a great chance to

talk together on this important issue.