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U. S. S E N A T E

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June 17, 1996

Our Nation is at a Crossroad, Senators Say

Do the President's post-election policies square with his pre-election rhetoric? On June 10, five U.S. Senators went to the Senate floor to offer their evaluations of this administration's performance, and the Senators asked the American people to examine for themselves whether this administration is moving toward or away from their own goals and values. Attached are statements by Senators Coverdell (R-GA), Grams (R-MN), Thomas (R-WY), Bennett (R-UT), and Grassley (R-IA) as published in the *Congressional Record.* The Senators made the following points:

- Middle-income Americans were promised a tax cut in 1992 by the man who now occupies the White House. What he delivered was the largest tax increase in history. The 1993 tax hike will bring in $500 billion in new taxes by the year 2002. Thanks to this new law, rich and poor pay $5 billion a year more in gas taxes; the tax rate of some small business owners is now more than 44 percent (compared to a top rate of 35 percent for large corporations); and the taxable portion of senior citizens' Social Security benefits increased by 70 percent.

- The majority party in Congress finally has succeeded in changing the debate on balancing the budget. The question no longer is *whether,* but *how* we are going to balance the budget. Yet, despite this critical change in focus, and despite endorsing a balanced budget in pre- and post-election days, this President refuses to use the power of his office to persuade members of his party to support a balanced budget constitutional amendment. The proposed constitutional amendment would have gone to the states for ratification if just one more member of the President's party had voted "aye."

- Do we know where the current Administration wants to take government policy? One clue comes from the President's principal economic adviser, who testified before a congressional committee that the United States is seriously undertaxed, compared to other industrialized nations, and then went on to imply that this administration would "fix" that.

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[Senators' *Record* remarks begin on the following pages:
Coverdell: S 6003; Grams: S 6004; Thomas: S 6005;
Bennett: S 6006; and Grassley: S 6008.]

United States of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 104th CONGRESS, SECOND SESSION

Vol. 142 WASHINGTON, MONDAY, JUNE 10, 1996 No. 84

Senate

KEEPING CAMPAIGN PROMISES

Mr. COVERDELL. Mr. President, I am just going to make a very brief statement to begin this hour. I understand the Presiding Officer would like to comment. So if he will allow me, I will make an opening statement, and then I will relieve him in the Chair so that he might make the remarks he chooses.

Mr. President, I have always felt that there should be a relevance, a connection, a linkage between what a public policymaker contends or discusses in

the pursuit of office and what he or she does, if fortunate enough to achieve it. I think that much of the cynicism and anxiety that we have seen growing in our country can be tracked back to the failure of too many of us who seek public office relating what we said if we sought it to what we do if we achieve it.

I believe this administration is particularly vulnerable on at least three major subjects. The first one is taxes. This administration came to America and said, "We are going to lower taxes on the middle class." That is what was said. But what was done was that they were increased to unprecedented proportions.

We talked about and have heard the administration talk about its grave concern over drugs and crime, and drug abuse or drug usage, under this administration's watch, have skyrocketed to epidemic proportions. Just last week, there was a perfect example, where the President has said, "I am for a balanced budget," repeatedly, but stood foursquare in front of passage of the balanced budget amendment.

So, as I said, Mr. President—and I want to reiterate it here this afternoon—it is important that there be a linkage, a connection of relevance between what we say as we pursue public office and what we do if we are successful enough to achieve it.

Mr. President, I am going to relieve the Chair. I do not think I need to call for a quorum call. I will relieve the Chair so that he may make his comments.

(Mr. COVERDELL assumed the Chair.)

Mr. GRAMS. Mr. President, I want to follow up on some of the comments that you were making.

A DIFFERENCE IN PRIORITIES

Mr. GRAMS. Mr. President, it is easy to campaign as a champion of the middle class. As you know, President Clinton did it in 1992, when he made the middle-class tax cut the centerpiece of his campaign. His very first television commercial that year featured the candidate looking directly into the camera and telling the voters that they deserve a change. "That is why I have offered a plan to get the economy moving again, starting with a middle-class tax cut," he said.

Of course, we all know what happened to that tax cut a year later. The candidate who pinned his campaign to the hopes and dreams of the middle class became the President who let the middle class down once he moved into the Oval Office. His campaign promise of a tax cut was transformed into a $270 billion tax increase—the largest tax increase in American history. It was change, all right—but certainly not the kind of change the people had asked for or were promised.

Everyone who drives a motor vehicle knows what the President's 4.3-cent-per-gallon tax increase has done to their annual gasoline bills—especially recently, with gas prices around the Nation at such high levels. By boosting the cost of gasoline by nearly $5 billion every year, the gas tax has been particularly damaging for truckers, farmers, and anyone who lives in rural areas of the country.

Senior citizens, even those making as little as $24,000 a year, saw their taxes rise as well once the President's 1993 tax bill increased the taxable portion of their Social Security benefits by 70 percent.

For the more than 80 percent of small business owners who file their income taxes as individuals, President Clinton's 1993 tax increase forced them to pay taxes at a rate as high as 44.5 percent. That is significantly above the corporate rate of 35 percent, and means the folks who run the local plumbing business or TV repair shops are paying taxes at a higher rate than Microsoft or General Motors.

Families, job providers, retirees, motorists—all of us felt the pinch when the President signed his 1993 tax bill into law.

Since President Clinton's election, the Government is taking more from the paychecks of middle-class Americans than it ever has before. The administration and the Democrats in Congress who voted for it and passed it say, but it was only targeted at the rich. But, today, the typical American family faces a total tax burden of 38 percent. In human costs, this means we taxpayers are turning more money over to the Government than we are spending for our family's food, clothing, shelter, and transportation combined. Tax freedom day—the day the American taxpayers are no longer working just to satisfy Uncle Sam and can begin keeping our dollars for ourselves and our families—has jumped ahead an entire week since President Clinton took office.

The various budget plans the President has submitted to Congress over the last year and a half paint a very different picture of priorities. The priorities for which BOB DOLE and our Congressional majority have repeatedly fought have been to protect families from the unreasonable demands of an unregulated Federal Government. The priorities of the President and the Democratic leadership have always been to protect the status-quo government, and too often, at the family's expense.

In his State of the Union Address in January, President Clinton boldly declared that "the era of big Government is over." "Big Government" presumably meant the high taxes that have squeezed the middle class—the gigantic bureaucracy that has made redtape synonymous with Washington inefficiency, and the wasteful spending that has drained the taxpayers of their precious dollars.

But big Government remained alive and well in the budget the President submitted for fiscal year 1997.

That budget was nothing more than the status quo the current administration continues to defend. It did not rein in the big spending that has generated our massive deficit and put our children and grandchildren on the line for decades of our financial mismanagement. It called for $60 billion in tax increases over the next 7 years.

And where are the tax cuts the President has repeatedly promised American families? He offered nothing but token tax relief. His child tax credit began at just $300 per child, was slowly ratcheted up to $500, and then eliminated just 2 years later. By the way, teenagers were too old to qualify for that tax break.

Under the guidance of President Clinton and the Senate Democratic leadership, my colleagues across the aisle attempted to break the 1993 tax increase record when the President's budget came before this body in May. Had they prevailed, the amendments they offered during debate over the budget resolution, combined with the President's own tax mandates, would have amounted to another tax increase of $295 billion, dwarfing the $270 billion increase of 1993. Fortunately, the gentleman from Kansas has heard the demands of the American people in calling for fiscal restraint and relief from a crushing Federal tax burden, and under his leadership, we stood with the taxpayers in rejecting those attempts to further increase taxes on working-class families.

If the majority leader's balanced budget plan, with its $245 billion in tax relief, had been signed into law instead of stopped with a Presidential veto last December, April 15 would have been very different for the millions of Americans who dread the annual arrival of tax day.

Let me describe the tax day that could have been under the Republican balanced budget plan.

A family sits down at the kitchen table to tackle their Federal tax return, but it is not with the sense of foreboding they usually feel this time of year. They have heard that when Congress and the President enacted a balanced budget, they created changes in the tax laws that are making a dramatic difference for middle-class families like theirs.

Because both parents have jobs—let us say one owns their own small business and the other works part time at a local hospital—the first decision they have always had to make in the past was whether to file jointly or as individuals. Back then, filing as a family always came at a cost because of a glitch in the tax code called the marriage penalty. Because the marriage penalty required joint filers to pay higher taxes than if they had filed separate returns, it seemed as though the Government was discouraging family life, instead of trying to nurture it.

But no longer, because they notice immediately under the balanced budget bill that Republicans passed, sent to

the President and which he vetoed, they notice that under that plan the marriage penalty has been eliminated, meaning families are no longer unfairly penalized through higher taxes.

That is the tax day I fought for. That is the tax day every Republican supported.

That is hypothetically again under a tax date that could have been.

As this family works through the form, they discover several other ways in which the Federal Government has rewritten the tax code to help bring families together and keep them strong.

They are the proud parents of three children, the youngest of whom they adopted just last spring. To help defray the enormous costs a family can incur during the adoption process, the new laws allow them take a tax deduction of up to $5,000 for adoption expenses. By reaching out to families willing to make room for a child without a home, this new tax policy makes sense, they decide.

To keep their family together, the young couple decided several years ago to move an elderly parent into their home and care for them there. They count themselves fortunate that they have been able to keep three generations together under the same roof, but it has stretched the family budget at times. They are pleased to learn that Congress has recognized this by allowing them to subtract $1,000 from their total tax liability to help offset the cost of caring for an older relative.

For families, the cost of health insurance and medical care can be overwhelming, and the challenges are even greater when they own a farm or a business.

While most working people receive their insurance through their jobs, small business owners and farmers usually purchase their own. Our mythical taxpayer has been able to deduct 30 percent of the cost of the health insurance premiums in past years, but they discover today that under the tax bill, the Balanced Budget Act that the Republicans passed, sent to the President, but again he vetoed, under that bill, the new tax rules would have allowed them a 50-percent deduction for self-employed individuals. It is still not the full 100-percent deductibility that large employers enjoy, but think it is a good start.

One unanticipated expense that recently came their way was the purchase of a new home. That required dipping into an IRA to help finance the downpayment, which used to mean a hefty tax penalty. No longer—families are now allowed to withdraw up to $10,000, penalty free, for first-time home purchases and certain other expenses.

And by the way, the student loan that helped finance a college education is no longer the financial drain it used to be, now that the Federal Government is allowing taxpayers to deduct up to 20 percent of the interest—as much as $500—every year for 5 years.

As they reach the end of the tax form, they discover the best news has been saved for last. After they have calculated their total tax liability, they then subtract a $500 tax credit for each of their three children. That is $1,500 of their own money that Washington is not going to take, which they can put toward meeting the needs of their family, not merely feeding the Federal bureaucracy. And best of all, this $500 per-child tax credit comes in addition to the $2,500 tax exemption for dependents.

They sign their 1040 and seal it away in its envelope, pleased that Washington is finally enacting tax policies that are putting families first.

That is the tax day BOB DOLE delivered to the American people by passing the Balanced Budget Act. Unfortunately, because President Clinton has an entirely different view of tax day—and proved it with his veto pen—the April 15 I have described is nothing more than the tax day that could have been.

While this administration went on the offensive against families by vetoing the $500 per-child tax credit, elimination of the marriage penalty, adoption and eldercare tax credits, and tax incentives designed to create jobs and boost salaries, Republicans, BOB DOLE, and NEWT GINGRICH put this Congress on record as standing squarely alongside the working families of America.

As long as taxes keep rising, the dollars Americans have left over to provide for their families will keep falling. And so it has been the Republicans' goal—the Dole-Gingrich goal—to help Americans earn more money and keep more of the money they earn, so they can do more for themselves, their kids, their communities, their churches.

I look forward to having a President who will sign legislation which helps the hard-working middle-class taxpaying families of America.

Thank you very much, Mr. President. I yield the floor.

The PRESIDING OFFICER. The Chair recognizes the distinguished Senator from North Carolina.

Mr. FAIRCLOTH. I thank the Chair.

(The remarks of Mr. FAIRCLOTH pertaining to the introduction of S. 1853 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER (Mr. BENNETT). Who yields time?

Mr. COVERDELL. Mr. President, in just a moment I am going to yield up to 5 minutes to the Senator from Wyoming.

Mr. President, over the last couple of years—since August 1993 when we got the largest tax increase in American history—instead of the tax reduction that had been promised—the figure of about $250 billion has been used over and over, and we need to put that figure in context—the actual tax increase from 1994 to the year 2002, or the 7 years that we all talk about, is $500 billion—$500 billion in new taxes from this administration, half a trillion dollars; that instead of the tax relief that was promised. And that is why I say there should be a relevance between what one says as he seeks office and what he does if he is fortunate enough to achieve it.

Mr. President, I yield up to 5 minutes to the distinguished Senator from Wyoming.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. THOMAS. Mr. President, I think there is nothing more important as we look toward an election, as we look toward closing this session of the Congress, as voters and citizens, than examining some of the things that are really important in making these decisions.

I think I must tell you I have been distressed, somewhat, over the last couple of years about this tremendous communication system we have where, for the first time ever, whatever happens in the world, you just instantly know about it. I compare that to what it must have been like 100 years ago. In my State of Wyoming, people did not know what in the world happened in Washington. They probably did not care very much, but they did not know for a very long time. Now we know and we have the greatest communications system, but I have to say I think we have developed this sort of spin process to where it is very difficult for us to know what the facts are so we can make decisions. That is really what this whole thing is about. That is what this Congress is about, what this Senate is about, is making choices, hard choices.

I guess, again, I reflect on elections where—obviously, you are not able to talk with candidates about 800 different issues which will be talked about during the course of a year here. So, instead, you have to sort of talk about philosophy and talk about where you stand and talk about the values that you have that you measure the issues against so the people that you talk to can say, "Yes, I understand. I understand that set of issues. So when I measure against that, I have a pretty good hunch as to how those decisions will be made."

Never have we had, I do not think, as clear a set of choices as we have had this year and will have in the coming year. I certainly respect that there are different philosophies and different points of view. We get up here and argue, often, the merits of the issues, which is valid, but when you really get down to it, what we are really talking about is the difference in philosophies.

A balanced budget is probably the most significant item we have talked about this year, the most significant item that has been brought before all of us as citizens: Whether we are going to be responsible for the spending, whether we are going to be morally responsible to pay for it as we use it, whether we are going to be fiscally responsible, to not spend more than we

take in. Everyone says that is a great idea, but not everyone agrees with doing something about it. That is the choice you have. We have everyone saying, yes; we want to balance the budget. But then we have a vote and we do not have enough to get a constitutional amendment to do it.

So I think we have some real choices. We have to decide for ourselves what it is that we think is important.

Regulatory relief—I do not think anyone would reject the notion or resist the idea that we are overregulated. Overregulation is difficult for the economy, it causes fewer jobs, it causes less prosperity. We can change it. Everyone is for it, except when you get to it, and then they do not do it.

Welfare reform—we all talk about welfare reform. Is there anybody who says, "Oh, no, we do not he need to change welfare, it is perfect"? Of course not. Do we get it done? No; we sent it to the President, and he vetoed it. This is the same President who campaigned on welfare reform.

So, these are the kinds of choices we have to make all the time. It seems to me it has become increasingly important that there is some credibility to where you stand, philosophically, on issues. Should we have less Federal Government or more? That is pretty basic, pretty basic stuff. When you talk about many of these issues, that is really the core issue. Should we do it here? Does it need to be done? Could it be done better? Could we, in fact, shift it to the States, closer to people, where it can better be done? That is a good issue. Less government or more? More regulation or less?

There are even some more basic issues, I think. They have to do with personal responsibility. They have to do with whether or not you really believe—and I really believe, I do believe—that we are responsible for our own actions. My wife happens to be a high school teacher. She probably says more often than anything else, "You are responsible for your own behavior. You are responsible for your own actions." If that is good enough for kids, it is good enough for us, too. That is how you build a strong freedom, a democracy, is people being responsible for their own actions.

But when you take a look at some of the issues we find ourselves saying, discretely, "Well, no, the Government really ought to be responsible for that. After all, there are a lot of things I am really not responsible for, so somebody else must be." That is pretty basic stuff.

BOB DOLE will be here for the last time tomorrow. I cannot help but think here is a man who has served his country for so long and has consistently been for the things that he said he was for, voted for them and supported them. He is not someone who has said, "Yes, I think I am for that," and then shortly after, "Well, I am not sure, I am really for something else. Yes, I am for it, but I am not going to vote for it, not that." BOB DOLE has been consistent in what he is for.

Responsible spending—throughout his career he has been for less government rather than more. He has been on the side of moving more and more government back to the States and local government, closer to people, so people can participate. He has been for self-responsibility, for sacrificing for his country. These are the things that—as I said, I think we had 800 votes or something last year on all these issues. But when you peel it all away, there is some pretty basic, fundamental stuff people either believe in or they do not.

There is another legitimate point of view—more government. A lot of people think the Government does a better job of spending money, that the way to balance the budget is to raise taxes, not to decrease spending. That is a legitimate point of view. I do not happen to share it, but it is a legitimate point of view.

I guess what I am really saying is, we are going to have another opportunity, our biennial opportunity, as citizens, to evaluate where we think we should go, in your Government—in our Government; what you think are the fundamental pillars of defending democracy and freedom.

I have had a couple of chances the last couple of years to go some other places. Frankly, I come back feeling more strongly about the elements of democracy and freedom and self-government than I ever did before. So we have that opportunity now. We will be measuring all of our candidates and all of our issues based on what we think is right and who we think will follow what they said they were going to do, where the credibility lies; people upon whom you can depend to stay with what they say. Mr. President, it seems to me that is kind of the real, old-fashioned, fundamental issue of this country. I am excited we are getting onto it.

I appreciate my friend from Georgia having this conversation about where we are going, his conversation of credibility, of being able to rely on what we say we are going to do, and do it. We have set about to do that this year. I am pretty proud about what we tried to do. I am sorry we have not come to closure on more things, but we have changed the total debate here.

Two years ago, no one was talking about balancing the budget. Now it is not a question of whether we are going to do it, it is a question of how we are going to do it. And that has been because I think we brought, from the last election, many of us, a message that said: "Look, we expect you to make some changes. You say you are going to have less Government, it is going to cost less and have less regulation. Do it." That is what we are seeking to do.

Mr. President, I yield the floor.

Mr. COVERDELL. Mr. President, I know the Presiding Officer would like to make some comments. In a moment, I will replace you so you can do that.

I want to thank the Senator from Wyoming, once again, for the excellent presentation he makes over and over on the Senate floor.

Just a moment ago, I mentioned this $500 billion tax increase that occurred in August 1993. The point I am making, Mr. President, is in 1992, the President said this:

> I've offered a plan to get the economy moving again, starting with a middle-class tax cut.

"Starting with a middle-class tax cut." Within 8 months, it became the largest tax increase in American history on the middle class. An average family in my State is paying $2,600 more in taxes and economic burden as a result of the actions and policies of an administration that promised just the reverse. With that, I will be glad to relieve the Chair.

Mr. BENNETT addressed the Chair.

The PRESIDING OFFICER (Mr. COVERDELL). The Chair recognizes the Senator from Utah.

Mr. BENNETT. I thank the Senator from Georgia for his courtesy and his support and his leadership in putting together this afternoon's objectives.

As I understand it, we are talking this afternoon about the crossroads that America finds itself at in this quadrennial year, 1996. It is leap year; it is the year for the Olympics; and it is the year Americans decide who gets to stay in the White House until the next leap year and the next Olympics.

As I look back on 1992, the last time we had one of these elections—I have a very clear memory, because 1992 was the year that I ran for the Senate. It was a very interesting year. President Clinton was then Governor Clinton, and he was attacking an incumbent President. Ultimately, the Clinton message in 1992 came down to a single word. The word was "change." President Clinton was campaigning in favor of change and was calling upon Americans to vote resoundingly for change. I had a very strong reaction to that, because ultimately my campaign for the Senate came down to a single word, and that word was "change." I campaigned for change.

I got here and met the other freshman Senators in that group and found that virtually every one of them, regardless of party, had campaigned for change. I remember one of my colleagues on the Democratic side saying that she received a phone call some 3 weeks after the election and the voter said: "I voted for change. Where is it?"

She said: "I haven't even taken office yet."

The caller said: "Well, you promised me change, and you haven't produced, and I'm impatient."

What kind of a change did President Clinton give us once he did take office and take the oath of office? It was very interesting here as a Member of this body to see what happened. He became, if you will, co-opted by the Democratic leadership in this House and in the other one.

Senator Mitchell said, "You don't need to talk about reducing the size of the congressional staff, we already did that."

"Oh," said President Clinton, "I didn't know that, so we'll allow spending as usual to go on in the Congress."

"Well, what about changing the Tax Code?"

"Oh, you don't need to do that," said Senator Mitchell and Speaker Foley, "we've already taken care of the Tax Code. As a matter of fact, what changes you do need in the Tax Code should be on the upside rather than the downside."

"Oh," said President Clinton. "Well, as long as you tell me that's what it ought to be, I will do it."

I remember the first major battle we had in this Chamber on the issue of change. The President proposed an emergency appropriations bill. Now, Mr. President, what does it mean when you say "an emergency appropriations bill"? I had to ask that question. I was new; I didn't understand. They explained it to me. If you have an emergency appropriations bill, that means it does not have to fall under the restrictions of the reconciliation bill or the budget bill. That means it goes directly into the deficit without stopping any way through. We had a $19 billion emergency appropriations bill on this floor that we had to have to meet all the emergencies.

What were the emergencies? Well, there was a warming hut that needed to be built by a skating rink somewhere in New England. Great emergency. Somehow they had gotten by skating on that pond or that local rink for a long time, but now there was an emergency; we had to have that warming hut. We had to have a whole series of things that were in that genre, and BOB DOLE from this desk stood up and said, "No."

I realized, from that desk way over there, as a very new freshman, that what we were seeing was not change; it was business as usual. Promise one thing, then when you get to the Congress, when you get in office, cloak everything you do in confusing terms, call this an emergency; but basically pork-barrel spending for the President's political base in the same pattern as it had always been.

What we were seeing was an attempt at business as usual and from Senator DOLE an attempt to stop business as usual and produce change in the way things were done. From this very desk where I stand today, BOB DOLE organized the Republicans in this Chamber who stood together in defiance of business as usual and brought about the first demonstration of real change in the way business is done when, by use of the filibuster, they stopped the President's stimulus package and insisted that those spending items had to be put in the budget.

I remember, Mr. President, we wore buttons that said, "Just pay for it." Do not let it go directly to the deficit and borrow money. Find a place where you would pay for it with some kind of spending cuts someplace else for these emergencies.

When it finally happened, the Presiding Officer remembers, we ended up passing that portion of that appropriations bill that was really needed, but somehow the rest of it disappeared and the Republic survived. The emergency passed and no dire consequences occurred.

I must confess, I do not know if the warming hut on the skating rink ever got built. I rather suspect that it did, if the local community that wanted it wanted it badly enough. But somehow we saw the beginning of real change by virtue of BOB DOLE's leadership standing up to political business as usual in that circumstance, and that went on all through the 103d Congress, until in the election of 1994, the American people said, "We want change," even more loudly than they said it in 1992. Only this time the President got the message in a different fashion. Not one single incumbent of the party opposing the President was defeated in that election. Not one. That is an extraordinary historical fact. This has never happened before, that I know of, in American history.

The Republicans took control of both Houses of Congress and the President suddenly got very, very nervous on the issue of change, because the Republicans were determined to produce change, the change that President Clinton promised before he slipped into the control, if you will, of the Democratic leadership of the Congress, and blame the advocate of business as usual.

As I say, we are coming up to another election. I was at a dinner party a month or so ago where a number of people were talking politics. It is hard to go to a dinner party in this town where people do not talk politics. The host said, "I want to pose a couple questions." He said, "If Bill Clinton is reelected, what will he do in his second term?" or, conversely, "If BOB DOLE is elected, what will he do in his first term?"

Interesting. No one at the party had the slightest idea what the answer to the first question was. Nobody knew what Bill Clinton will do in his second term. Will he revive health care as a major issue? No one knew. Will he try to restructure the Tax Code, either raising or lowering? Nobody knew. What will he do about balancing the budget? Nobody had the slightest idea.

Then someone said, "Well, what would BOB DOLE do if he got elected?" "Oh, he'll work on restructuring the Tax Code. He'll work toward a balanced budget." He will do a whole list of things. I said, "Wait a minute. BOB DOLE is supposed to be the candidate with no vision. Bill Clinton is supposed to be the candidate that has a clear idea where he wants to take the country. Why can't any of you tell me what Bill Clinton will do in his second term, but you all can give me answers to what BOB DOLE would do in his first term?"

We all looked at each other as if we made a great discovery, that Bill Clinton talks about this and he talks about that, and he gives speeches saying we have to reform welfare, and he says the Republicans are right on a whole bunch of issues, and he seems to be co-opting all of the Republicans' positions, but he never really makes it clear what he intends to do if he gets elected.

In the language of the business world, he is keeping his options open. In other words, he is keeping himself in a circumstance where he can go wherever he wants if he gets elected without ever tipping his hand as to what his intentions really are.

Mr. President, let me tell you what I think his intentions really are. I have tried to examine the entrails of this particular owl and see if I can read them and come up with a prediction of the future. So let me take a stab at it.

I believe Bill Clinton does have a clear idea of where he wants to take America. I go back to the 1992 campaign when he was asked for his vision and he said, "I am concerned about the security of every American, the security of their job, the security of their income. I want an America that will make everyone secure."

Have we heard this before? Yes, Mr. President. This sounds like the rhetoric of most European politicians. I believe Bill Clinton wants to make the United States a modern European industrial state. Let us pick one as an example. I do not know whether he has this one in mind.

Germany is a modern industrial European state. I think it is no accident that the first priority that President Clinton had was to give America a health care system modeled on the German model. What happens in a modern European industrialized state? Well, there is a lot of security. If you lose your job in Germany, the Government steps in and you can live for a long time on the kinds of payments the Government will give you.

Indeed, unemployment in Europe is twice as high as it is in the United States and four and five times as long. If you lose your job in the United States, statistically you are likely to find a new one in 6 months. The majority of people who are unemployed find a job within 6 months or less in the United States. Something like 60, 70 percent of the people who are unemployed in Europe stay unemployed for 4 and 5 years.

This is the kind of country we would have if we were a modern European industrialized state: Unemployment twice what it is in the United States today, a tax burden of higher income taxes, higher payroll taxes, and consumption taxes, to boot, that would be close to something like a 14 percent national sales tax—that is the value-added tax level in Europe, different maybe in different countries, but basically around 14 percent—a much higher

deficit, and a much higher national debt in proportion to the size of our economy.

As concerned as we are about our national debt, our national debt is the lowest of all of the industrialized countries in the world. President Clinton would like to take us in that direction. I sit on the Joint Economic Committee. President Clinton's principal economic adviser, Dr. Laura Tyson, testified before the committee after the Clinton administration took power.

She said to us on that committee—I still remember it very clearly—she said, "Compared to the other industrialized nations of this world, the United States is seriously undertaxed," and then implied this administration is going to fix that.

No. I think we know the direction in which President Clinton would go in a second term. It is the direction toward turning the United States into a North American version of Germany or France or Sweden, just as those countries are desperately trying to get out from under the kind of governmental control that has grown up there since the Second World War and are grasping to become more like the United States.

There is an alternative, of course, in November. That is the candidate for whom, in my belief, the principal interest is not security, but opportunity, an opportunity for a good job, an opportunity for a good education, an opportunity to contribute, to build, to save, to create circumstances for one's family that can make those circumstances better.

Opportunity is a little scarier than security. But throughout history, opportunity pays better. Countries that are built on opportunity do a whole lot better than countries that focus entirely on security.

So, Mr. President, I thank the Senator from Georgia for giving us this opportunity to talk about the differences that are going to be starkly portrayed between now and November.

As I get ready for the November election, I am going to go back to 1992 in my old play book and pull out the word "change" that worked so well in 1992 for all of us, and recognize that in 1996 BOB DOLE will be the candidate of change and Bill Clinton will be the candidate of the status quo. BOB DOLE will be the one who wants to take the Tax Code and turn it into an engine of opportunity. Bill Clinton will be defending the Tax Code and saying, it is just fine except it needs to be a little higher here or there.

BOB DOLE will be the one who is saying we must change welfare so these people have an opportunity to get off of it. Bill Clinton is the one who will be saying, no, let us hang on to the basic principles of the status quo and across the board.

In 1992, the American people said, "We want change." They got business as usual. In 1994, the American people even said more loudly, "We want change." Unfortunately, they have gotten gridlock because the White House has not gone along with the change that came by virtue of the Congress.

In 1996, the American people will have one more opportunity to say, "We want change," and this time achieve it if they give BOB DOLE the opportunity to carry out that which he has told us he will do instead of voting to keep the status quo.

Mr. President, I yield the floor.

(Mr. BENNETT assumed the chair.)

Mr. COVERDELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. COVERDELL. Mr. President, I appreciate the remarks of the Senator from Utah. The Senator brings a very interesting perspective when he points to trying to determine what the administration's plan would be in that second term. When you alluded to the industrialized societies of Europe, I was particularly taken with the comment about unemployment, I think running around 12 percent, in Germany today. What was once an enormous competitive force, and we have all thought of as a competitive force, is now struggling with the burdens of a government that ensnares every facet of life for the people of Germany.

I yield up to 10 minutes to the good Senator from Iowa.

The PRESIDING OFFICER. The Senator from Iowa.

THE VOID IN MORAL LEADERSHIP—PART XI

Mr. GRASSLEY. Mr. President, we now have the classic example of duplicity in budgeting. It's the first clear example of budgetary duplicity since the infamous magic asterisk made famous by David Stockman. This time, it is by the President himself.

The example is revealed courtesy of my colleague from Missouri, Senator BOND. He has laid out a compelling case that shows when the White House speaks about its budget, it speaks with two voices. One voice emanates from the left side, the other from the right side. Not surprisingly, this is so the President can have it both ways. They can have their cake and eat it too.

The consequence of this duplicity is continued public cynicism. These days, that's a cardinal sin of any political leader. it undermines the confidence of our citizenry in its political leaders and in our system of government.

Those watching from their homes, Mr. President, often get confused by our arcane budget process and terminology. So I want to explain this duplicity in normal, everyday language.

As a big taxer and big spender, the President's political strategy is to spend money to make all his special interests happy. He already passed the largest tax increase in the history of the country back in 1993. Now, he wants to use those revenues to spend more just before he's reelected.

The problem is, his budget would deficit-spend forever. It would never be in balance.

More than 80 percent of the American people want a balanced budget. Republicans criticized the President for not having a balanced budget. The criticism worked. It was scoring points with the public. That's because they support a balanced budget overwhelmingly.

The President was on the political run. So he had a decision to make. He still wanted to spend all the money necessary to make his special interests happy. But he also wanted the public to think he had a balanced budget. That way, he could put a stop to all the criticism about not having a balanced budget. And, he would also not offend his political supporters. In other words, he could have his cake and eat it too.

There's only one problem with this. To pull that off, the President would either have to make tough choices, or he'd have to use some sleight-of-hand. Sleight-of-hand won out.

And so, the President presented his budget to Congress and the public. In doing so, he presented two budgets. One was $67 billion more expensive than the other.

Depending on who he was talking to, he would reference one budget or the other. For instance: If he was talking to critics who said his budget didn't balance, he'd point to the one that's $67 billion cheaper. If he was talking to his special interest friends whom he didn't want to offend, he'd point to the one that had $67 billion more in it.

That way, the President hoped to satisfy everyone, and offend no one.

There's evidence of this.

Senator BOND received testimony from their different heads of agencies that confirm the budgetary shell game. EPA Director Carol Browner, HHS Secretary Donna Shalala, and NASA Administrator Dan Goldin each suggested that the White House told them not to worry about future budget cuts in their agencies that would occur under the balanced budget version.

In other words, the White House fully intends to honor the more expensive budget, rather than the balanced budget. But the President doesn't want to say that before the election so he can't be criticized for having a bloated budget.

What this shell game shows is a White House that plays fast and loose with honesty. It is duplicitous. It's saying one thing out of one side of the mouth, and another out the other side. In the final analysis, the President intends to abandon a balanced budget, should he survive his effort for a second term.

There's an even more serious and destructive game the White House is playing in its budget. The issue is the veterans' budget. The Secretary of Veterans Affairs is the Honorable Jesse Brown. Mr. Brown confirmed this before Senator BOND's subcommittee.

He confirmed that, even though the President's budget would decimate veterans, the President has assured him he will renegotiate the veterans' budget every year. In other words, veterans funding, too—just like all the others—

will also go up, allegedly. That would put even more pressure against a balanced budget.

The problem with this example, Mr. President, it's more than simply a shell game. It's a total disavowal of the President's veterans budget, by the President's own people. Worse, by the President himself. It's an official budget that's not official. And that, Mr. President, is a matter of budget integrity. And this budget lacks integrity.

The budget of the United States represents the official statement of policy of a President. If that is true this President's statement of policy is one of duplicity. And it lacks credibility and integrity.

And that, Mr. President, is the mark of a failed leader. A leader who undercuts his own moral authority to lead the Nation. You cannot be a leader if your policies reflect duplicity, a lack of credibility, and a lack of integrity.

This is the 11th in a series of talks, Mr. President, that I have shared with my colleagues on my observations about the President's failure to lead by example. His failure of moral leadership.

If our leaders continue to lead this way, public cynicism—already at dangerous levels—will reach critical mass. We cannot continue to serve the people of our country in this way.

Republicans have tried to lead by example. We put our money where our mouths were. We passed congressional accountability, putting Members of Congress under the same laws as we passed for the rest of the country. We passed a balanced budget last year. And, we'll pass another one later this week.

But the President will veto a balanced budget again, without an honest alternative of his own. This is failed leadership of the worst kind, Mr. President.

Finally, Mr. President, I commend Senator BOND for his outstanding detective work in surfacing this budget duplicity on behalf of the American people.

Mr. COVERDELL. Mr. President, I believe we have gone past the allotted time by several minutes.

I ask unanimous consent that we be allowed up to 15 more minutes to conclude our remarks.

The PRESIDING OFFICER (Mr. INHOFE). Without objection, it is so ordered.

Mr. COVERDELL. Mr. President, I commend all the Senators who have come to the floor and discussed the general premise that there should be a relationship between what officeholders say during the course of seeking the office and what they do once they achieve it.

We talked about the fact that the administration talked about a tax reduction to the middle class and then raised taxes on them up to $500 billion. We have talked about this budget duplicity, which we just heard about here today. We talked about the issue of being for a balanced budget, but then coming foursquare against the balanced budget, an amendment to the Constitution that would do nothing more than allow the issue to go to the several States. Yet, there was fear even of letting that go to the people.

I am going to mention one other, as we close out, because the administration has talked frequently about its concern over crime in our country. By anyone's observation today, you cannot separate crime from drugs. And if there is one thing laying at the foot of this administration, it is the fact that they altered dramatically the drug policies that governed from 1980 to 1992—that 12-year period that saw massive reduction in the use of drugs at all levels.

Between 1979—to give some examples, Mr. President—and 1992, drug use was cut in half in America. There is no way we will ever know the millions of families—sisters, brothers, friends, next-door neighbors—that were saved from tragic consequences because of policies that discouraged the use of drugs.

Under this administration, marijuana use among young people has increased an average of 50 percent across all age groups. Teenage drug use has risen every year under this administration. In 1992, at the beginning of the administration, 2.4 million of our youth used drugs. Today, the figure is 3.8 million—up 58 percent. This, Mr. President, is an epidemic.

Use of marijuana, ages 14 to 15, is up 200 percent since 1992. Marijuana use among eighth graders was 3.7 percent in 1992. Today, it is 7.8 percent—a 110-percent increase.

Hallucinogens, LSD and PCP, were at 5.8 percent up to 1992, and now it is 9.3 percent—up 60 percent.

There were 146 people in the office of the drug czar when the President took office. He took it down to 25 people and has only recently discussed increasing it—I am sure as a result of these epidemic numbers that I am describing to you here today.

The list goes on and on. But what has resulted, Mr. President, is that the combination of changing the policies, moving away from interdiction—those budgets went down—and moving away from law enforcement, emphasizing rehabilitation, I would have never believed, Mr. President, that those changes in policy could have such a massive and rapid response. Remember, we had a Surgeon General that was suggesting, early in this administration, that it was OK to legalize drugs.

The fact that these drug policies changed was de-emphasized, and the White House never talked any more about drugs. Some made fun of Nancy Reagan's "Just Say No," but we can use a little bit more of that now. What happened was our youth, very quickly, began to believe that drugs were no longer a problem.

The result has been that, thinking it is no longer a problem, they are more willing to experiment with drug use. The result of that is that we have recreated a drug epidemic in our country of immense proportions, and there are millions of families that are going to suffer the consequences because we have not put up the fight. Whether it is a sister, a brother, a neighbor, someone in our town, someone across the hall in the workplace, we have created millions of casualties in America.

The administration is talking more about drugs, but it is still not getting the job done. President Clinton requests 19.4 percent less funding for prevention in 1997 than he requested in 1996. So we still have a pattern that is ignoring this crisis.

Now, this crisis reverberates through our hemisphere. Our fellow countries in the hemisphere are now coming under a deluge from the drug cartel. President Zedillo of Mexico said that there is no greater threat to his Republic than the drug cartel.

This is a massive crisis that must be confronted very quickly in the balance of this decade as we move to the new century, if we are going to save millions of American casualties, from crack babies to drug use. This is the first time in my life that we have actually witnessed a war that is directed at kids—people 8 to 12 years old.

The last drug crisis focused principally on people who were 16, 17, 18, 19, and 20 and now it has moved down to 8, 9, 10, 11, and 12, and this ought to command the attention of every policymaker—a mayor, a Governor, a county commissioner, and, yes, the President of the United States.

Mr. President, I am about to yield the floor. I want to reiterate what I said when we began—that there should be a relationship between what policymakers say to our citizens and what they do. You ought not to promise tax relief and then raise taxes. You ought not say you are for a balanced budget and then fight it at every turn. You ought not to say that you are fighting to win this drug war and then turn a lot of it off, because that creates cynicism in our country. It really does. It makes people sit back and wonder about their Government. In every way that we can we ought to stress that relationship between what we run for and what we stand for and what we do. There should not be a great distance in the rhetoric and the deed. As near as possible they should match. We have emphasized here this afternoon that in all too many cases in the last 36 months they have not.