

move to protect this surplus from those who would use it to expand Government. Rather, our first priority must be to protect and preserve the fiscal integrity of Social Security for the future.

We are committed to that goal. But we are also committed to providing needed tax relief to our hard-working families. We now know that we will have an operating surplus, roughly \$40 billion a year, beginning in the year 2005. Therefore, I believe we must see to it that this surplus is available for tax cuts for the American people and that we not spend this money to grow Government. Let us spend this money to grow the paychecks of Americans.

Mr. President, there will be a lot of talk about this Congressional Budget Office's re-estimating of our national fiscal policy. I commend it to those who are concerned, legitimately concerned, about where we ought to go in the future based upon our successes.

I also would like Senators to know that the Congressional Budget Office did not assume a robust, strong, growing economy for the entire next 10 years. They have taken into consideration the potential, although we hope it will not occur, of a downturn in the economy, and we still have these kinds of surpluses—indicating that the economy is vibrant, productive, that the increases in productivity are far greater than we have estimated in the past, tax revenues are growing faster than we estimated in the past.

Clearly, an opportunity now is before us to make sure Social Security is taken care of and also to look carefully and surely right in the eye of, Should we give tax cuts to the American people? I think the answer is going to be a resounding yes.

I yield the floor.

Mr. WELLSTONE addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Minnesota.

Mr. WELLSTONE. I ask unanimous consent that I be able to speak briefly as if in morning business, and then go right to this amendment.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. WELLSTONE. Thank you, Mr. President, and I thank my colleagues for their courtesy. I will definitely speak to the amendment in a moment.

AUTOWORKERS OF FLINT, MICHIGAN

Mr. WELLSTONE. Mr. President, for more than 5 weeks, the Nation's largest industrial corporation has been locked in a labor dispute with workers in two of its Flint, MI, plants. I do not believe that we have had any discussion on the floor of the Senate about this. I want to speak about it. The company and the workers are fighting over local issues—health and safety, speeding up the production lines, and sending work to outside suppliers—but

these local disputes also highlight a broader national concern that affects millions of working Americans: how U.S. corporations invest, how they compete, and where they invest.

GM's hard-line stance and labor-war tactics endanger the livelihoods of tens of thousands of workers in the automotive industry and in the industries that rely on auto production for their business. Ironically, these hardball tactics also undermine the very competitiveness that GM says it wants. Competitive firms need good labor relations; and good labor relations begin with a handshake, not a 2 by 4.

Monday's Washington Post reported that high-level negotiations to end the strike broke down Sunday "amid signs the auto maker now may be willing to risk an all-out labor war." The company has asked an arbitrator to rule on the legality of the strike. The union has said fine. But GM's vice president in charge of labor relations broke off negotiations, refusing to even participate further in talks to reach an overall solution to the strike. The Post further reported, "A GM source said some top company officials are pushing for a form of drastic action to 'send a clear message to the UAW' * * * Options reportedly under consideration, the source said, range from a legal action challenging the walkout * * *; cutting off health-care benefits to all UAW members idled by the strike; or shutting down the two strike-bound parts plants in Flint, Mich., and contracting out the work. Such a move," the Post explained, "would amount to an all-out war."

GM has taken the first step, filing a lawsuit against the union. GM would apparently rather sue than negotiate. They would rather fight than talk. The Post has reported that, "Company sources said the lawsuit is probably the first step in an escalating war between the company and the union."

This is no way for the Nation's largest industrial organization to treat its workers and their representatives. The duly recognized representatives of GM workers, the United Auto Workers, had sought to negotiate a global settlement. GM senior representative should come back to the table.

Yes, GM has every right to seek to improve productivity and profits. But as yesterday's New York Times reported, "G.M.'s biggest productivity problem lies in its auto parts factories, which were * * * starved of investment during the 1980's * * * and have antiquated machinery as a result."

GM entered into agreements with the United Auto Workers to invest more in its American operations but has fallen short of making new demands on workers before it would comply with what it had already promised.

What is really at stake here are American jobs—good jobs, with good benefits. The workers at GM's Flint parts plants are fighting to preserve those American jobs. Over the next 2 years, in this act alone GM threatens

to transfer about 11,000 of these jobs to subcontractors or out of the country altogether. GM's workers are justifiably concerned with what the New York Times calls "G.M.'s steady push to build factories overseas while slowing investment in its low-profit American operations."

GM should stop fighting its workers and get back to investing in the creation of those good jobs which bring good benefits right here in the United States. Strikes are hard on everyone—on the company, on the economy, and hardest of all on the men and women on the picket line. The best way for GM, or any corporation, to avoid picket lines is to address the underlying problems that lead to strikes, not to challenge the right of workers to strike.

The free world looked upon strikes in the 1930s with hope, because, as Franklin Roosevelt said in 1939, "Only in free lands have free labor unions survived." As long as there have been unions, we have known that the right to strike and liberty go hand in hand.

That is why, in 1860, Abraham Lincoln told striking New Haven shoe factory workers, "Thank God we have a system of labor where there can be a strike."

I have confidence in the auto workers of Flint, MI. Although I stand here today on the floor of the U.S. Senate, in my heart I stand with the auto workers of Flint, MI. They know the history of work, the auto workers of Flint, MI.

It was the auto workers of Flint, MI, who, on December 30, 1936, called another strike against the same company, General Motors. The goal of that strike was simple, too. All the strikers wanted was for GM to recognize the union. For over 6 weeks, the auto workers of Flint, MI, stopped production in the famous Sit-Down Strike of 1937. They slept on unfinished car seats and ate what food their families could slip through the factory windows. The auto workers of Flint, MI, faced tear gas, heat shutoffs, and company security guards. Led by their new 29-year-old president of Local 174, a man named Walter Reuther, and the great union leader, John L. Lewis, the auto workers of Flint, MI, prevailed.

Because the auto workers of Flint, MI, were willing to strike, the auto industry was forever challenged. Because the auto workers of Flint, MI, were willing to strike, over the years the automotive industry became a source of good jobs with good benefits and the Nation prospered. GM was the most successful auto maker in the world when it paid the highest wages, not the lowest. Americans want to be the beneficiaries of a more competitive firm, not their victims. And that is exactly why the auto workers of Flint, MI, walk the picket lines today.