

IRAQ

Mr. DOMENICI. I conclude with some comments on Iraq. I hope that tonight our President will tell our people the issue in Iraq is why has Saddam Hussein not destroyed the weapons of mass destruction that are in his country; not that we did not find them, not that we did not find a smoking gun.

The United Nations verified that he had thousands of weapons in his country, thousands of weapons of biological and chemical makeup that can kill millions of people.

I ask unanimous consent for 2 additional minutes.

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

Mr. DOMENICI. Some 9 or 10 years ago, the United Nations said Saddam must get rid of them, and then we pulled out. The United Nations sat around, Iraq started selling oil again, and Saddam started being Saddam. Then we decided we will go in and see if he has gotten rid of them. Non-compliance by him means he has not shown what happened to the weapons.

The 12,000-page document, which was all over the press as if they had submitted 12,000 pages of real explanation, was presented some days ago as though it explained where these thousands of weapons went. The United States and its agents of absolute integrity have read every single page, every single line. The conclusion is that the 12,000-page document is a farce. It does not explain what happened to all of those weapons. It is a joke.

They put in those pages what they wanted, and they described what they wanted. The sum total is, where are they?

He continues to say: I am showing them everything. And we continue to say: It is your responsibility to show us what you did with them. After all, it is not like every country in the world would accept thousands of these chemical weapons. Some nation that is crazy enough to take them would have to be found. So we have to be told they are not here. But where are they? If they are dumped in the ocean, somebody would find out. They cannot easily be gotten rid of so he has not gotten rid of them. He hid them.

Now we are telling the world there is noncompliance. I hope the world sees it our way, but more importantly I hope Saddam sees it our way. I hope he understands there are a lot of us that understand what is going on and that it is like I just said: He better come clean or, in fact, something will happen. I hope he does it himself and I hope our friends realize they better join us in putting him on the spot or he will put the world on the spot, and he will do it very soon.

I yield the floor.

The PRESIDING OFFICER. The Senator from Oklahoma.

IRAQ, THE ECONOMY, AND THE BUDGET

Mr. NICKLES. Mr. President, I compliment my colleague, Senator DOMENICI, for his speech and also for many of the comments he made relating to the economy, the budget, and Iraq. I think the Senator from New Mexico is exactly right. The issue with Iraq is not whether the arms control inspectors can find a few weapons. It is whether or not Saddam Hussein is going to disarm and whether he is going to comply with the United Nations and whether the United Nations is going to enforce compliance.

We can pass 17 resolutions, all of which say the international community says he must disarm, but if we do not compel him to disarm, it makes the United Nations somewhat irrelevant to the whole proposal. Do those resolutions mean anything besides rhetoric or are we going to enforce them?

The previous administration did not enforce them. As a result, we did not even have arms control inspectors, much less enforcing the existing resolutions. Now we have a President who is going to lead the world, who says we should enforce these resolutions, and we should compel his disarmament.

When we think of the dangerousness of these weapons, I mentioned earlier today that two envelopes with anthrax that unfortunately were destined to the Senate killed a few people. They were not even opened in the post office. Yet they still killed people. They are very deadly materials. He happens to have tons of similar-type weapons, some even more dangerous such as VX.

I think the President is right in drawing a line in the sand and saying he must comply. The world community, the United Nations, agreed with the President last year. I hope they continue to support compelling Saddam Hussein to comply with existing U.N. resolutions.

I will submit for the RECORD a table which summarizes the Senate's action on H.J. Res. 2, the fiscal year 2003 omnibus appropriations resolution. This table was prepared by my staff based upon estimates of the Congressional Budget Office. I also wish to congratulate the chairman of the Appropriations Committee, Senator STEVENS, for working to limit the total fiscal year 2003 appropriations bills to amounts requested by the President.

As adopted by the Senate, H.J. Res. 2 contains \$386.864 billion in discretionary spending when added to the amounts in the defense and military construction appropriations bills already enacted, which total \$752.193 billion in fiscal year 2003 discretionary spending. These totals include a 1.6 percent across-the-board reduction amounting to \$6.4 billion from all accounts funded in the other 11 appropriations bills, plus amounts for classified defense programs, \$3.9 billion in fire and management, \$825 million for which the President submitted separate requests.

Compared to fiscal year 2002, total discretionary spending under H.J. Res. 2 would grow by 2.4 percent, defense discretionary spending would grow by 6.9 percent, and domestic discretionary spending would decrease by 1.9 percent; compared to fiscal year 2002, less spending for one-time nonrecurring projects. Total discretionary spending under H.J. Res. 2 would grow by 4.7 percent, defense discretionary spending would grow by 7.3 percent, and domestic discretionary spending would grow by 2.1 percent. H.J. Res. 2 also includes several changes in mandatory programs not counted on the discretionary side of the budget.

The increased spending, which would total \$4.221 billion in 2003, includes changes in agriculture payments for drought, payments to physicians in rural hospitals, and TANF payments to States.

I ask unanimous consent a table displaying the Budget Committee scoring of H.J. Res. 2 and enacted appropriations with comparison to 2002 be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CBO ESTIMATES OF THE SENATE PASSED APPROPRIATIONS BILLS FOR FY 2003 COMPARED TO FY 2002

[Budget authority, in billions of dollars]

Subcommittees	2002	Senate appropriations bills	Percent increase or decrease
Divisions A-K, and Defense and Military Construction Bills			
Agriculture	17.171	18.350	6.9
CJS	42.995	41.505	-3.5
Defense	0.560	0.574	2.5
Nondefense	42.435	40.931	-3.5
Defense	334.113	354.830	6.2
DC	0.607	0.512	-15.7
Energy and Water	25.334	26.164	3.3
Defense	15.164	15.899	4.8
Nondefense	10.170	10.265	0.9
Foreign Ops	16.433	16.429	-0.0
Interior	19.135	18.952	-1.0
Labor, HHS	127.659	136.519	6.9
Legislative	3.254	3.362	3.3
Mil Con	10.604	10.499	-1.0
Transportation	23.095	21.574	-6.6
Defense	0.440	0.340	-22.7
Nondefense	22.655	21.234	-6.3
Treasury, Postal	18.515	18.220	-1.6
VA, HUD	95.758	90.349	-5.6
Defense	0.153	0.144	-5.9
Nondefense	95.605	90.205	-5.6
Deficiencies	-0.350	0.000	.....
Defense	-0.196	0.000	.....
Nondefense	-0.154	0.000	.....
Total, Divisions A-K	734.323	757.265	3.1
Defense	360.838	382.286	5.9
Nondefense	373.485	374.979	0.4
Division M			
Classified Defense Programs ..	0.000	3.895	.....
Division N			
Election Reform—Title I	0.000	1.500	.....
Wildland Fire Management—			
Title III	0.000	0.825	.....
Fisheries Disasters—Title V	0.000	0.100	.....
2.85 percent across the board rescission on accounts (except Head Start) in 11 bills—Title VI	0.000	-11.392	.....
Subtotal	0.000	-8.967	.....
Total, Discretionary	734.323	752.193	2.4
Defense	360.838	385.680	6.9
Nondefense	373.485	366.513	-1.9
One-time, non-recurring projects	15.946	0.000	.....
Defense	1.338	0.000	.....
Nondefense	14.608	0.000	.....
Total, Discretionary less one-time	718.377	752.193	4.7
Defense	359.500	385.680	7.3
Nondefense	358.877	366.513	2.1
Total, without enacted Defense and Mil Con		386.864	.....
Defense		20.351	.....
Nondefense		366.513	.....

CBO ESTIMATES OF THE SENATE PASSED APPROPRIATIONS BILLS FOR FY 2003 COMPARED TO FY 2002—Continued

[Budget authority, in billions of dollars]

Subcommittees	2002	Senate appropriations bills	Percent increase or decrease
Memo			
Mandatory Items in Division N			
Title II—Agriculture			
Drought Relief, as amended		3.100	
Title IV—Medicare Physicians		0.630	
Title IV—Rural Hospitals		0.250	
Title IV—Welfare Payments to States		0.173	
Collins Amendment—Home Health		0.040	
Bingaman Amendment—QI-1 Program		0.028	
Total		4.221	
Total, with Mandatories		756.414	
Total, without enacted Defense and Mil Con		391.085	

Source: Congressional Budget Office; Senate Budget Committee Republican Staff.

Mr. NICKLES. Mr. President, this is more fiscally responsible than any appropriations bills we have passed in the last many years. I compliment the chairman of the Appropriations Committee, Chairman STEVENS, as well as Senator FRIST and all of our colleagues who worked aggressively to contain the growth of these bills. That was not easy. We had a lot of votes. We voted down over half a trillion in additional spending amendments. I compliment my colleagues for showing some fiscal discipline.

In order to show fiscal discipline in the future, we have to pass a budget. Last year we did not pass a budget and we did not pass 11 of 13 appropriations bills. I hope this year we will be able to pass a budget; that we will be able to pass it on time; and that it will also allow for us to pass a growth package in addition to a package that would improve and enhance Medicare. Passing a budget makes it possible to do all those things. Without passing a budget we may not do any. We may not get appropriations done; we may not do a growth package; we may not do a prescription drug proposal or a Medicare enhancement proposal.

I speak just for a moment now on the President's proposal for economic growth and job creation. I have heard some colleagues coming to the floor criticizing it. I am also bewildered by statements they are making. Many have criticized the President's effort to eliminate double taxation on dividends, saying it benefits one group or another. I have not heard anyone say this is really good tax policy. Let's tax dividends twice. Let's tax it on the corporate level and tax it on the individual level so the net effective rate of taxation is anywhere from 65 percent to 73 percent, maybe 73.6 percent.

Now, with tax rates as high as two thirds or more, we more than discourage dividends. Dividends are basically rewarding the owners of the company with the fruits or profits of the company. With the double taxation, we are telling companies not to do this. I used to run a company. It makes no sense to do it. For corporations, particularly privately held corporations—I used to

run one—why pay dividends if the Government is going to take, at least in present law, 35 percent automatically; and then individuals who may be paying rates of 28 percent or 27 percent, or maybe they are paying rates of 32 percent or 35 percent or 38 percent. If you add 35 percent and 35 percent, that is 70 percent. If a corporation makes \$1,000 in earnings and they want to distribute it to their employees, the government gets \$700 and the stock owner gets 30 percent.

That is absurd. It makes no sense. Corporations are greatly discouraged from distributing their earnings to their owners. That is bad tax policy. And the present Tax Code encourages corporations to go into debt. We encourage corporations to pile up the debt because they get to expense it, but we do not tell them if they go the equity route, to build financing, to obtain financing, they can expense dividends. I hope we would do it. I would think expensing dividends from a corporate side would be the better way to eliminate double taxation. There are two or three different ways it can be done. I mention that to my colleagues.

The President has good tax policy—one that will help grow the economy, one that will encourage investment, one that would eliminate some of the gross distortions we have in the present Tax Code.

I make a couple of other comments concerning the President's tax proposal. I have heard a few people allude to the fact that it only benefits the wealthy. They have not read the President's proposal. The President's proposal is that we would have a \$1,000 tax credit per child. Part of that was passed in 2001 and earlier where he said we will increase it. Right now the Tax Code has a \$600 tax credit per child. He wants to make it \$1,000. I have four kids. They are grown now so they will not qualify unless we include grandkids and maybe we should do that, too. One thousand dollars per child is \$4,000 for four kids, \$1,600 more than present law. One does not have to be wealthy to get it. If you have four kids, you get \$1,600 more, a tax credit, where you do not have to pay taxes. That will take a lot of taxpayers to a zero tax bracket.

The President says, let's eliminate the marriage penalties by doubling the 15 percent tax bracket for an individual or a couple. The net impact of that, if a couple has a combined income of \$55,000, they get to save about \$1,000 per couple. If you want to do something to help middle income taxpayers, married couples, families, the President has it. He has a child tax credit, and he also has elimination of the marriage penalties. That is in his proposal. He also says individuals should not pay taxes at rates higher than corporations. I agree. Let's accelerate the tax cuts now for 2004 and 2006. And when you finish with that, the maximum income tax bracket, personal income taxes, is 35 percent. It just so happens 70 or 80 percent of the people who are paying

that highest tax bracket are sole proprietorships, entrepreneurs, self-employed. Why should they pay a tax rate higher than General Motors? Presently, they do. General Motors pays a tax rate of 35 percent right now. Those individuals pay a tax rate of 38.6 percent. I don't think they should have to pay a tax rate higher than General Motors. They have a smaller business. Let's have a little equity.

Some say this is not doing enough for low-income. We have helped individuals and families. We have reduced tax rates for taxpayers in income tax brackets. The President expands the 10 percent tax bracket which he created 2 years ago. There was 15 percent tax brackets and the President made it retroactive on lowest income people. He took a lot of individuals in the 15 percent tax bracket and made their rate 10 percent. That was a 33 percent reduction in their tax bracket. We made it retroactive. That was equal to a benefit of about \$600 for a couple. Now the President says let's expand the 10 percent bracket further. I compliment him for that, as well.

There is a lot of benefit in here for all income groups. A lot of people are throwing rocks at this without looking at the substance of it. I hope maybe they would look a little closer and maybe we should work a little more together and have a little bipartisan cooperation and see if we cannot do something to help grow the economy. It is vitally important we grow the economy. The President has a good proposal, a good package, one that will be, I am sure, thoroughly scrutinized by the Ways and Means Committee, by the Finance Committee.

We have a tradition in the Finance Committee reporting out bipartisan packages, whether in taxes or whether it be in the health care. I hope we will do both this year. We can. The President has given us a good proposal to do so. I look forward to working with my colleagues, Democrats and Republicans, to pass a budget and to pass a growth package that will help grow the economy. It is important that Congress enact both this year.

I yield the floor.

The PRESIDING OFFICER. The Senator from Utah.

Mr. BENNETT. Mr. President, I understand that under the previous order, at 4:15 we start going back and forth. I ask the Senator from New York, who is prepared under that order, if I might proceed for 5 to 7 minutes prior to his taking it? I do not wish to be discourteous to my colleague because I know he came over for the 4:15 slot.

Mr. SCHUMER. I have no objection. The Senator is always a gentleman, and it is a pleasure to let him speak for his time first.

Mr. BENNETT. I thank the Senator and appreciate the opportunity.

The PRESIDING OFFICER. The Senator from Utah.

WAR WITH IRAQ

Mr. BENNETT. Mr. President, as I go out among my constituents, the one question I always get asked in these present times is: Are we going to go to war with Iraq?

For a while my answer was, that is up to Saddam Hussein. It depends on how he acts and what he does, as to whether or not we are going to go to war with Iraq.

But what he does now is fairly clear. The position he has taken is fairly clear. He made the comment to an Egyptian journalist, that has been repeated now around the world:

Time is working for us.

He has made it clear that he is not going to change. There will be no disarmament of Iraq from within. There will be no genuine cooperation with the inspectors. So I think my earlier answer probably is no longer correct. The decision now lies with President Bush: Will we go to war or won't we?

In that circumstance, the President is being bombarded on all sides with editorial comment and punditry, with firm, solid recommendations, yes and no, depending on the ideological status of the particular pundit. They can make those firm recommendations from the safe, secure position of knowing that they will not have to be acted upon and that they will not be held accountable if their recommendation is followed and the result is not successful.

The President faces what is clearly the most agonizing and difficult decision of his Presidency. I pray for him and urge other Americans to pray for him as he makes this decision.

I want to lay down what I see as the challenge here. I do not think it is an easy question. I do not think it is clear, one way or the other. The truly Presidential decisions never are. If the decisions were easy, they would be made before they got to the level of the President. If the action was clear, smart people at lower levels of Government would take it. It is only when the decision is agonizingly close and the options not clear on either side that it ends up ultimately on the President's desk in the Oval Office and becomes his decision and his decision alone.

This is what I see. Saddam Hussein is going through the motions of cooperating with the inspectors, and there are those who say: Let that process play out. We have him contained. As long as there are inspectors in the country, there will not be any effort to use weapons of mass destruction. Let's just let that play out.

Then there are those who say: He has violated the resolution of the United Nations. The legal position is absolutely clear. If the United Nations and the United States are going to be taken seriously around the world, we must now take military action and we cannot wait any longer.

I am sure those legal arguments with respect to Resolution 1441 in the

United Nations are valid. I don't argue with them. But they don't change the practicality of the situation, that an attack on Iraq—even if it is justified under the legality of the United Nations resolution—might still prove to be a mistake. The solidity of the legal position with respect to Resolution 1441 is a legitimate question for Colin Powell to raise with his fellow diplomats, but it does not ease the agony of the necessity of making the final decision in the Oval Office.

I believe that Saddam Hussein is cooperating with the investigators for one reason and one reason only; that is that American troops are massing on the border. He knows American military power is sufficient, if unleashed, to bring his regime down and probably end his life. He is taking every step he can to try prevent that.

Those who say let this play out, leave the status quo and let it go forward, don't appreciate the difficulty of America keeping those troops on line, keeping those troops on the border, keeping those airplanes on alert so that he will continue to try to satisfy the inspectors. We cannot continue to do that for an extended period of time. It is not fair. It is not possible, given the lives and other challenges faced by these young people. At some point and at some point relatively soon, the President is going to have to make a decision to either move in or stand down. And the ultimate question here is not what is the legality of U.N. Resolution 1441 or what is the relevance of the United Nations in the world community. The ultimate question here is, What will be the result if he moves forward, and what will be the result if he stands down, he, in this case, of course, being President Bush.

We have heard a lot of talk. That is not the right term. That implies something less than seriousness. We have heard a lot of analysis about what could happen if he moves forward. Some of the scenarios are very encouraging; some are frightening. We don't know in advance which ones would come true. We have had less analysis placed on the question of what would happen if the President orders the troops to stand down and start to come home. We do have some historic precedent for this. I remember going to the room in the Capitol on the fourth floor and hearing Madeleine Albright describe the situation in Iraq, in terms eerily familiar to the terms we are currently hearing from Secretary Powell. I remember walking out of that briefing in room 407 and saying to myself: We will be at war with Iraq within 3 days.

Then President Clinton made the decision that we would stand down. American troops were not at the forward edge they are now, so that decision was not as difficult in terms of the logistics, as it would be for President Bush now. But at the same time, the progress being made then was not as good as it is now. President Clinton,

for whatever reasons—good, bad, or indifferent—decided to stand down and the result has not been one with which the world is pleased.

Now, if we stand down, the result ultimately, in my opinion, would be more devastating for world peace, long term, than if we move forward.

I know how agonizing that decision must be for the President. I will look forward to listening to him discuss it with us tonight. I hope he will outline for us what would be the consequences if we stand down, in terms of American credibility—credibility that is not just saving face in some kind of psychological way, credibility that is essential to keeping the peace in the world. What would happen to those countries that are urging, hoping, praying for Saddam Hussein to be gone, if they said the Americans got this far, they came this close, and then they turned around and left? That means we cannot depend on the Americans ever again. We can't trust their word ever again. What would be the consequences of that? I think they would be serious.

I remember a couplet I learned as a child. I never quite understood what it meant until someone in my later years explained the historic context. It is just a child's rhyme, but it was based on a historic event. It said:

The King of France went up the hill
With twenty thousand men;
The King of France came down the hill,
And ne'er went up again.

There was even a tune that went to it. I will not duplicate Senator D'Amato and sing on the Senate floor. But that is where we are.

The King of France went up the hill
With twenty thousand men;
The king of France came down the hill,
And ne'er went up again.

The United States of America, acting on a 15-to-nothing resolution out of the Security Council of the United Nations, as well as an overwhelming vote in this Chamber and in the other body, has marched up the hill and told Saddam Hussein he must disarm. Now there are those who say because he has stopped producing these weapons, as long as these troops are at his border we can afford to turn around and march down again.

It is, as I said, an agonizing decision. It will be made by the President of the United States. He will not ask my advice, for I have no expertise in these matters. But my constituents do ask me about it because I represent them in this body.

I think having marched up the hill, having taken the United Nations Resolution 1441 at its face value, and having stood the troops there, that has produced the results we have had so far. We cannot now back down.

I wish the President well. As I said, he is in my prayers, and I hope that of all Americans, as he makes this most momentous decision. The consequence is: What happens if we do? And what happens if we do not?

I wish the President well as he makes that analysis. I have confidence in this