

qualify for the marriage tax penalty. He is saying that if you make too much money, if you itemize, or do not itemize, somehow you will not qualify.

The President says "targeted." Again we hear that word "targeted." When we hear that, it means Washington believes it can best determine what you need or what program the Government can create or how the Government can spend your tax money.

I want to say one other thing before I close, and that is what the President said at the end of his speech. I agree with these last few lines:

The surplus comes from the hard work and ingenuity of the American people. We owe it to them to make the best use of it, for all of them and for our children's future.

I agree with that statement. The only thing is we disagree on how to accomplish it. "The surplus comes from hard work and ingenuity of the American people. We owe it to them to make the best use of it. . . ." To me, the best use would be to give the surplus back.

We are not talking tax cuts at all. We are not talking about reducing the revenues Washington needs to run this Government and its programs. What we are talking about is the surplus. We owe it to them to make the best use of it. That will be in rebating, returning those dollars to you so you can then decide what is best for your family. Is it braces for one of your children, or dancing lessons? Is it to begin an educational fund for your child? He is 5 years old, and you want to prepare for his college. You will make that decision, and you will not have to worry or wait for a Government program and then stand there with a hand out asking: Do I qualify, and can I get some of my tax dollars back?

You will have to wait for somebody in Washington to say yes or no. That is not what should be happening. You should have control over your dollars. We all need to pay taxes. We know that. There are a lot of good things the Federal Government does. We know that. But Washington should not have the control of determining how to spend the additional dollars, the surplus.

I strongly urge the President to sign our two tax bills that we want to send him: the death tax repeal and the marriage tax penalty. I hope the President will consider them and, as he said in the last line of his speech—again I will read it—we owe it to them to make the best use of it for all of them. And my opinion is to give it in tax relief.

I thank the Chair.

#### EXTENSION OF MORNING BUSINESS

Mr. GRAMS. Mr. President, I ask unanimous consent that the period for morning business be extended until 12:30 p.m., with the time equally divided in the usual form.

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

Mr. GRAMS. I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

#### THE PAST AND THE FUTURE

Mr. REID. Mr. President, in 1993, one of the most interesting times in my legislative career was when we in this Chamber voted on President Clinton's deficit reduction plan. It was a historic vote.

As the Presiding Officer will remember, the bill passed the House of Representatives by a single vote without a single Republican voting for the President's plan. It came to the Senate and ended up in a tie vote, and the Vice President of the United States, AL GORE, broke the tie. It was a very difficult vote for everyone. In the Senate, as in the House, not a single Republican voted for the budget plan.

There were people on the other side of the aisle who told of all the calamities that would take place in the country if that passed. Seven years ago, this is what we heard from the other side of the aisle, Senate Republicans, from then-Representative WAYNE ALLARD:

In summary, the plan has a fatal flaw—it does not reduce the deficit.

Of course, it has reduced the deficit from some \$300 billion a year to where we now have a surplus.

Senator CONRAD BURNS:

So we are still going to pile up some more debt, but most of all, we are going to cost jobs in this country.

What the Senator from Montana said, in truth and in fact, was wrong. In fact, over 20 million new jobs have been created; over 60 percent of those jobs are high-wage jobs. Contrary to what the Senator from Montana said, we didn't pile up more debt. We have reduced the debt. We have not only cut down the annual yearly deficit, we have actually paid down the debt—not enough, in my estimation, but we have begun to pay down the debt.

Senator HATCH of Utah said:

Make no mistake, these higher rates will cost jobs.

Again, not true.

Senator PHIL GRAMM of Texas on August 5, 1993, on the Senate floor:

I want to predict here tonight that if we adopt this bill the American economy is going to get weaker and not stronger, the deficit four years from today will be higher than it is today and not lower. . . . When all is said and done, people will pay more taxes, the economy will create fewer jobs, Government will spend more money, and the American people will be worse off.

Everything he predicted is the direct opposite. The economy didn't get weaker; it got stronger. The deficit isn't higher; it is lower. Americans aren't paying more taxes; they are pay-

ing less taxes. He said, "The economy will create fewer jobs." Of course, as I have indicated, it created more jobs. "Government will spend more money." The fact is, the Federal Government today has 300,000 fewer Federal employees than it had when this statement was made by Senator GRAMM. We have a Federal Government today that is smaller than when President Kennedy was President.

He went on to say in September of 1993:

. . . [This program is going to make the economy weaker. . . . Hundreds of thousands of people are going to lose their jobs as a result of this program.

Wrong, absolutely wrong; not even close. The program the President asked us to vote for, and we did, made the economy stronger. We have had the lowest inflation, the lowest unemployment in more than 40 years. There had been economic growth as high in the past but never any higher than we have had. We hold the record for the longest period of economic growth in the history of this country.

PHIL GRAMM went on to state, on another occasion on the Senate floor:

I believe that hundreds of thousands of people are going to lose their jobs as a result of this program. I believe that Bill Clinton will be one of those people.

Well, hundreds of thousands of people didn't lose their jobs; tens of millions of people got new jobs. And President Clinton was reelected. Again, my friend from Texas was wrong.

The Senator from Iowa, Mr. GRASSLEY:

I really do not think it takes a rocket scientist to know this bill will cost jobs.

Well, my friend from Iowa was wrong, too. It didn't take a rocket scientist. It took people with courage to follow a leader who said: Do this and the economy is going to turn around. We did that. We are not rocket scientists, but common sense dictated if we did the things that were in that budget, it would make the economy better. It would set a new course in the United States for economic viability. We followed that lead, and here is where we now are.

My friend CONNIE MACK, with whom I came to Congress in 1982, said in 1993:

This bill will cost America jobs, no doubt about it.

Senator WILLIAM ROTH, chairman of the Finance Committee now, said back then:

It will flatten the economy.

Not true. Quite the contrary. My friend from Delaware went on to say:

I am concerned about what this plan will do to our economy. I am concerned about what it will do to jobs. I am concerned about what it will do to our families, our communities, and to our children's future.

Well, he should not have been concerned. Or if he was concerned, I am sure he feels much better today because everything about which he was