Sibley were soon brainstorming—and later, barnstorming.

By then Brown was well aware of the hazards that drawstrings posed for children. She knew about the steps taken in Britain and thought American children were ''just as valuable as British children.'' In addition, Brown said, ''There was already an existing memo about drawstrings, right here, but nothing had been done.''

She also understood the perils of bureaucratic blockage. Legislating compliance was an invitation to inaction, Brown maintained. In a congressional setting, a children's issue was likely to be marginalized, watered-down and tacked on to some unrelated measure, she thought.

So Sibley and Brown called upon a secret weapon known by parents to be fearsome, and usually foolproof. ''Peer pressure,'' Sibley said, nodding knowingly. Brown called a manufacturers' summit conference. No pressure, she said to representatives of the 33 leading makers of kids' clothes who came to her office soon after she brought Sibley onto her team. No threats, Sibley added: ''no lawyers bugging them.''

With no opposition, drawstrings were quietly removed from virtually all of the 20 million children's garments manufactured annually in this country. The low-key, collaborative approach avoided legislative logjams and eliminated any sense of government coercion.

A quick tour of kids' or discount stores shows that where one year ago there were drawstrings, now there is Velcro, elastic or safety flaps to secure a hood or hat.

Compliance was basically a ''nobrainer,'' said Deborah Siegel, general counsel for Baby Guess/Guess Kids in Los Angeles. ''I'm not sure how many companies were aware of what had happened [to Nancy Sibley and other children],'' she said. But once the problem was pointed out by Brown and Sibley, ''it was fairly simple'' to make the necessary design changes.

Sibley and Brown agree that the move toward safer childern's clothing was a fitting memorial for Nancy. But it was by no means the end of their teamwork—nor, they hope, their triumphs. Sibley has channeled her determination into a push to improve playground safety.

She and Brown have taped several video spots showing how parents can monitor classroom and playground equipment that may have been produced or installed before current standards were enforced. Much of this equipment is poorly maintained, and a great deal of it is too high off the ground. In many areas, children still tumble onto hard concrete rather than softer wood chips. Tattered old swings can collapse if a child pushes the sky.

In the course of working together, Sibley and Brown have developed a remarkable relationship. They are girlfriends, and both know this form of friendship to be as mighty as any corporate conglomeration. When Sibley is in Washington, she stays at Brown's house. They work a full day together, then go home and throw on their bathrobes. Over a glass of wine, they settle the problems of the planet while Brown's husband fixes dinner.

''I want you to understand,'' Brown said, ''I do not invite every-one I work with at this agency to come and stay at my house.''

But here's where the girlfriend connection tugs hard, and where the link of motherhood builds fierce bonds. Ann Brown never met Nancy Sibley. But she knows that the brown-eyed girl Bob and Thelma Sibley adopted in infancy was a long-awaited gift. She has heard how Thelma Sibley did the vacuuming with Nancy in a backpack. She knows how much the Sibleys miss Nancy's zeal, her passion and her empathy for people. She instinctively reaches over and clutches Sibley's hand as Sibley recalls how Nancy used to brag that she looked just like Mommy. At this disclosure, both women's eyes cloud up.

In the pyramid of Washington, Brown's agency is nobody's idea of a powerhouse. The Consumer Product Safety Commission narrowly escaped extermination in recent cutbacks, and its current budget remains close to what it was more than a decade ago. Until Brown took over, the commission was widely viewed as moribund.

''Wrong,'' Sibley corrected. ''Dead.''

But Brown and Sibley feel certain that a heavenly cheerleader is breathing life into their efforts. Their work is not just in Nancy's memory, Sibley said, ''it's in her honor.''

Parents who have not lost children often nod approvingly when mothers like Sibley take up a cause. *Catharsis* is a word you often hear. But parents of dead children know that true catharsis is elusive, if it is attainable at all. The hole in your heart is there forever. Still, said Sibley, who has kept her day job in the auto industry while pursuing her unpaid work with Brown, ''You don't cling to 'if only I'd known' ''forever.

''That's fine for a few months,' Sibley said. ''But for me, that's not inner healing. Inner healing is doing something.''

TOP TEN GIVEAWAYS IN SENATE REPUBLICAN BUDGET BILL

● Mr. LEAHY. Mr. President, from the home office in Beebe Plain, VT, I bring you the top 10 giveaways in the Republican budget bill.

10. ''What's white and black all over? A polar bear in an Arctic oil field.'' The bill opens the Arctic National Wildlife Refuge to oil and gas drilling.

9. ''You don't go to jail for this?'' The bill would permit companies to withdraw excess assets from their pension plans.

8. ''One more write-off for the road.'' The bill would allow convenience stores with a gas pump to depreciate their property over 15 years instead of the less generous 39-year period available for other convenience stores.

7. ''And you thought baseball owners were greedy.'' The bill would allow the American College Football Coaches Association to avoid tax penalties and stop an IRS challenge of its pension plan.

6. ''The oil is on the House.'' The bill eliminates the 12.5-percent royalty oil companies used to pay to drill for deepwater oil.

5. ''You can keep the gems—but we're charging you for the dirt.'' In exchange for taking $2 to $3 billion of minerals each year from public lands, mining corporations return a measly $18 million to taxpayers under this bill.

4. ''This should keep' em down on the farm.'' The bill would lift the current $75,000 cap on profits per farmer under Department of Agriculture marketing loan programs so the sky is the limit for wealthy farmers.

3. ''Oh, I thought nurses came with the nursing home.'' The bill repeals national requirements for nursing homes to provide proper health standards—a loophole that will be seized by some to lower the quality of care and life for grandparents and parents.

2. ''Say Aaaah.'' The bill repeals patient protection against excessive doctors' bills, allowing doctors to go after seniors for charges not reimbursed by Medicare.

1. ''Rich guys finish first.'' The bill would give the top one percent of wealthy Americans an average tax break of $5,600 per year while raising taxes on 51 percent of American families —those who earn less than $30,000 a year.●

HONORING THE MIDDLESEX COUNTY VOCATIONAL AND TECHNICAL HIGH SCHOOL

● Mr. BRADLEY. Mr. President, as Plato stated in his Republic, any society which would be strong and healthy, must ensure that every citizen finds an occupation which best suits his or her individual talents. Such a philosophy resonates through the halls of our Nation's vocational schools, and today I rise to honor the oldest vocational school in the country, the Middlesex County Vocational and Technical High School of New Brunswick, NJ.

In the United States, vocational schools play a vital role in maintaining a balance in occupations that are needed to make our society tick and our economy hum. Vocational schools recognize the fact that young adults have talents that lie in a wide range of areas. A natural bent toward mechanics or carpentry which might be left untapped in the normal high school environment, is brought to light, cultivated and celebrated in a vocational high school.

Therefore, it gives me great pleasure to recognize the Middlesex County Vocational and Technical High School, the Nation's oldest such institution. In 1913, the New Jersey State Legislature of Public Law passed chapter 294, providing for the establishment of county vocational schools. A year later, H. Brewster Willis approved a plan to create a vocational school system in Middlesex County. Soon after, schools were set up in New Brunswick, Perth Amboy and Jamesburg which taught such skills as mechanical drawing, carpentry, printing, cooking, dressmaking and agriculture.

Enrollment increased steadily over the years, and the influx of talented students spurred the board of education to create new schools and to expand existing ones. New courses were added and different age groups included as the program began to grow and realize its full potential. In 1949, the State board of education approved the establishment of the Middlesex County Adult Technical School for the purpose of providing full-time pre-employment training for adults in skilled trades and technical occupations. Today, the Middlesex County Vocational and Technical Schools remain a thriving and essential part of New Jersey's economic community. Therefore, I am pleased today to have the opportunity to honor the Middlesex County Vocational and

Technical Schools on the anniversary of its establishment.●

WHAT THE '93 TAX INCREASE REALLY DID

● Mr. KYL. Mr. President, the former Chairman of the President's Council of Economic Advisors, Martin Feldstein, just wrote an article for the Wall Street Journal about the 1993 tax increase.

For many of us, it confirms what we have been saying all along: that tax rate increases and tax cuts change people's behavior. Just because the Government increases taxes doesn't mean that people will pay more to the Treasury. They will respond to the higher rates by earning less, producing less, and investing less.

That is precisely what Mr. Feldstein found. He wrote:

> Because taxpayers responded to the sharply higher marginal tax rates (imposed by President Clinton in 1993) by reducing their taxable incomes, the Treasury lost two-thirds of the extra revenue that would have been collected if taxpayers had not changed their behavior. Moreover, while the Treasury gained less than $6 billion in additional personal income tax revenue, the distortions to taxpayers' behavior depressed their real incomes by nearly $25 billion.

Mr. President, tax rate increases are counterproductive. If the goal is to increase revenues to the Treasury, the better alternative is to cut tax rates.

Lower tax rates stimulate the economy, resulting in more taxable income and transactions, and more revenue to the Treasury. The tax cuts of the early 1980's are a case in point. Revenues increased from $599.3 billion in fiscal year 1981 to $990.7 billion in fiscal year 1989—up about 65 percent.

The tax bill before the Senate today begins to undo some of the damage done by the 1993 tax increase that President Clinton now disavows. As Martin Feldstein points out, however, it does not go far enough. Congress should also revisit the issue next year to consider rolling back the personal tax rate increases that were part of the Clinton tax bill.

I ask that the entire text of Mr. Feldstein's article be printed in the RECORD.

The article follows:

[From The Wall Street Journal]

WHAT THE '93 TAX INCREASES REALLY DID

(By Martin Feldstein)

President Clinton was right when he recently told business groups in Virginia and Texas that he had raised taxes too much in 1993, perhaps more so than he realizes. We now have the first hard evidence on the effect of the Clinton tax rate increases. The new data, published by the Internal Revenue Service, show that the sharp jump in tax rates raised only one-third as much revenue as the Clinton administration had predicted.

Because taxpayers responded to the sharply higher marginal tax rates by reducing their taxable incomes, the Treasury lost two-thirds of the extra revenue that would have been collected if taxpayers had not changed their behavior. Moreover, while the Treasury gained less than $6 billion in additional personal income tax revenue, the distortions to taxpayers' behavior depressed their real incomes by nearly $25 billion.

HOW IT HAPPENS

To understand how taxpayer behavior could produce such a large revenue shortfall, recall that the Clinton plan raised the marginal personal income tax rate to 36% from 31% on incomes between $140,000 ($115,000 for single taxpayers) and $250,000, and to 39.6% on all incomes over $250,000. Relatively small reductions in taxable income in response to these sharply higher rates can eliminate most or all of the additional tax revenue that would result with no behavioral response.

If a couple with $200,000 of taxable income reduces its income by just 5% in response to the higher tax rate, the Treasury loses more from the $10,000 decline in income ($3,100 less revenue at 31%) than it gains from the higher tax rate on the remaining $50,000 of income above the $140,000 floor ($2,500 more revenue at 5%); the net effect is that the Treasury collects $600 less than it would have if there had been no tax rate increase.

Similarly, a couple with $400,000 of taxable income would pay $18,400 in extra taxes if its taxable income remained unchanged. But if that couple responds to the nearly 30% marginal tax rate increase by cutting its taxable income by as little as 8%, the Treasury's revenue gain would fall 67% to less than $6,000.

How can taxpayers reduce their taxable incomes in this way? Self-employed taxpayers, two-earner couples, and senior executives can reduce their taxable earnings by a combination of working fewer hours, taking more vacations, and shifting compensation from taxable cash to untaxed fringe benefits. Investors can shift from taxable bonds and high yield stocks to tax exempt bonds and to stocks with lower dividends. Individuals can increase tax deductible mortgage borrowing and raise charitable contributions. (I ignore reduced realizations of capital gains because the 1993 tax rate changes did not raise the top capital gains rate above its previous 28% level.)

To evaluate the magnitude of the taxpayers' actual responses, Daniel Feenberg at the National Bureau of Economic Research (NBER) and I studied the published IRS estimates of the 1992 and 1993 taxable incomes of high income taxpayers (i.e., taxpayers with adjusted gross incomes over $200,000, corresponding to about $140,000 of taxable income). We compared the growth of such incomes with the corresponding rise in taxable incomes for taxpayers with adjusted gross incomes between $50,000 and $200,000. Since the latter group did not experience a 1993 tax rate change, the increase of their taxable incomes provides a basis for predicting how taxable incomes would have increased in the high income group if its members had not changed their behavior in response to the higher post-1992 tax rates. We calculated this with the help of the NBER's TAXSIM model, a computer analysis of more than 100,000 random, anonymous tax returns provided by the IRS.

We concluded that the high income taxpayers reported 8.5% less taxable income in 1993 than they would have if their tax rates had not increased. This in turn reduced the additional tax liabilities of the high income group to less than one-third of what they would have been if they had not changed their behavior in response to the higher tax rates.

This sensitivity of taxable income to marginal tax rates is quantitatively similar to the magnitude of the response that I found when I studied taxpayers' responses to the tax rate cuts of 1986. It is noteworthy also that such a strong response to the 1993 tax increases occurred within the first year. It would not be surprising if the taxpayer responses get larger as taxpayers have more time to adjust to the higher tax rates by retiring earlier, by choosing less demanding and less remunerative occupations, by buying larger homes and second homes with new mortgage deductions, etc.

The 1993 tax law also eliminated the $135,000 ceiling on the wage and salary income subject to the 2.9% payroll tax for Medicare. When this took effect in January 1994, it raised the tax rate on earnings to 38.9% for taxpayers with incomes between $140,000 and $250,000 and to 42.5% on incomes above $250,000. Although we will have to wait until data are available for 1994 to see the effect of that extra tax rate rise, the evidence for 1993 suggests that taxpayers' responses to the higher marginal tax rates would cut personal income tax revenue by so much that the net additional revenue for eliminating the ceiling on the payroll tax base would be less than $1 billion.

All of this stands in sharp contrast to the official revenue estimates produced by the staffs of the Treasury and of the Congressional Joint Committee on Taxation before the 1993 tax legislation was passed. Their estimates were based on the self-imposed ''convention'' of ignoring the effects of tax rate changes on the amount that people work and invest. The combination of that obviously false assumption and a gross underestimate of the other ways in which taxpayer behavior reduces taxable income caused the revenue estimators at the Treasury to conclude that taxpayer behavior would reduce the additional tax revenue raised by the higher rates by only 7%. In contrast, the actual experience shows a revenue reduction that is nearly 10 times as large as the Treasury staff assumed.

This experience is directly relevant to the debate about whether Congress should use ''dynamic'' revenue estimates that take into account the effect of taxpayer behavior on tax revenue. The 1993 experience shows that unless such behavior is taken into account, the revenue estimates presented to Congress can grossly overstate the revenue gains from higher tax rates (and the revenue costs of lower tax rates). Although the official revenue estimating staffs claim that their estimates are dynamic because they take into account some taxpayer behavior, the 1993 experience shows that as a practical matter the official estimates are close to being ''static'' no-behavioral-response estimates because they explicitly ignore the effect of taxes on work effort and grossly underestimate the magnitude of other taxpayer responses.

CURRENT PROPOSALS

In Congress had known in 1993 that raising top marginal tax rates from 31% to more than 42% would raise less than $7 billion a year, including the payroll tax revenue as well as the personal income tax revenue, it might not have been possible for President Clinton to get the votes to pass his tax increase.

Which brings us back to President Clinton's own statement (half-recanted the next day) that he raised taxes too much in 1993. Congress and the president will soon be negotiating about the final shape of the 1995 tax package. The current congressional tax proposals do nothing to repeal the very harmful rate increases of 1993. Rolling back both the personal tax rates and the Medicare payroll tax base to where they were before 1993 would cost less than $7 billion a year in revenue and would raise real national income by more than $25 billion. Now that the evidence is in, Congress and the president should agree to undo a bad mistake. ●