

land and for a people that had seen so little of it.

In his finest hour, 2 years ago, at the White House, Prime Minister Rabin acknowledged this aspiration, as he said:

Let me say to you, the Palestinians, we are destined to live together on the same soil in the same land. . . . We have no desire for revenge. We harbor no hatred towards you. We, like you, are people—people who want to build a home. To plant a tree. To love—live side by side with you. In dignity. In empathy. As human beings. As free men.

It is all of our prayers that his dream will live on.

Mr. President, I thank you.

Mr. GRAMS addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Minnesota.

PRESIDENT CLINTON AND THE FORGOTTEN MIDDLE CLASS

Mr. GRAMS. Mr. President, if you had been in New Hampshire on Thursday, January 9, 1992, and had been near a television, you might have seen the premiere of a new political advertisement—the first, early ad of the presidential campaign for a candidate who was not yet a familiar face.

The setting is an office. Piano music plays gently in the background, and the candidate speaks to the camera with an American flag as his backdrop.

"In the 80's," he begins, "the rich got richer, the middle class declined, poverty exploded, politicians in Washington raised their pay and pointed fingers, but no one took responsibility."

The candidate promises a tax cut for the middle class, even offers viewers a copy of his "Plan for America's Future" if they call the number on their television screen.

"I hope you'll join us in this crusade for change," he says earnestly.

Together we can put government back on the side of the forgotten middle class and restore the American dream.

I'm Bill Clinton, and I believe you deserve more than 30-second ads or vague promises.

Mr. President, Bill Clinton evoked the image of the forgotten middle class throughout his campaign for the White House, tantalizing the voters—while separating himself from the rest of his Democratic opponents—by promising he would cut taxes for working-class Americans.

"I am not in this thing to pander," he told *Business Week* in a June 1992 interview.

The way I came to the across-the-board, middle-class tax cut didn't have a relationship to the polls. . . . I came back to the middle-class tax cut as a down payment on fairness.

As that "down payment on fairness" took shape, Bill Clinton reached out to the overtaxed middle class by focusing his tax cut plan on families, advocating ideas that seemed more in line with the Republican vision than the Democrat policies of the past. "It is very much harder to raise a child for a middle-class family today than it was 40 years

ago," said candidate Clinton. "Our country used to take the position that the way to build strong families was to enable the working people to have enough money to raise their families."

"We're still getting a disproportionate amount of taxes from the middle class," he emphasized.

During the Presidential campaign, candidate Clinton promised to reduce the taxes paid by families and shield them from future tax increases.

"Virtually every industrialized nation recognizes the importance of strong families in its tax code; we should too," he wrote in "Putting People First," his campaign's economic outline for the country.

"We will lower the tax burden on middle-class Americans."

Mr. Clinton's plan began to take shape with a focus on tax relief for families with children. "The main portion of the middle-class tax cut for me in its present form is the children's tax credit," he said back in 1992.

He promised that he would cut taxes for average, middle-class families by 10 percent, giving them a choice between a phased-in, \$800 per-child tax credit or a "significant reduction in their income tax rate."

Those election-year promises helped turn candidate Bill Clinton into President Bill Clinton when frustrated Americans went to the polls that November.

But like so many promises made in the political heat of an election year, Mr. Clinton's tax-cut intentions of 1992 melted like summer snow in 1993.

By then, Republicans in Congress were rallying around the \$500 per-child tax credit I had authored as a Member of the House, making it the centerpiece of our budget alternatives in both the House and Senate.

But the Democrats, led by the President, pushed through a package of tax hikes on the middle class—a historic tax increase that affected every segment of American society.

Promises made, promises broken.

Mr. President, in 1995, this Congress has not forgotten our promise to the middle class.

We have passed a budget that recognizes, just as President Clinton did in 1992, that working-class Americans have paid more than their fair share of taxes over the last 40 years.

Families in 1950 sent just \$1 of every \$50 they earned to Washington, but families today are turning over \$1 out of every \$4.

That is money they could have spent for a child's education, health insurance, groceries for an elderly parent, or something as simple as birthday presents and Christmas gifts.

But instead, they are handing it over to the Washington bureaucrats, who spend it for them—often recklessly—in ways that often have no benefit at all to the folks who foot the Government's bills.

For more than 40 years, the only economic and fiscal discipline exercised by

Congress has come at the expense of the American taxpayers.

The budget plan we will soon be sending to the President is based on our deeply held belief that the weekly paycheck is not the Government's money—that families can spend their own money better than a Government that demands those dollars to spend on their behalf.

We are certain that 250 million Americans, empowered to make their own spending decisions, will make better choices than Congress and the President could ever make for them.

With our budget, Congress is dedicating \$245 billion to tax relief, the vast majority of which will go to working-class American families through the \$500-per-child tax credit.

The child tax credit means Minnesota families would get to keep \$477 million of their own dollars every year, to spend wherever they needed help the most.

The \$500-per-child tax credit would return \$150 million annually to families in President Clinton's own State of Arkansas. And it would completely erase the tax liability for 38,411 Arkansas residents.

Well, it has been nearly 4 years since that first campaign commercial in New Hampshire promised tax relief for the beleaguered middle class. An election is on the horizon, and once again, like the swallows returning to Capistrano, candidate Clinton is talking about cutting taxes.

He laid out the framework in his most recent State of the Union address. He said: "I have proposed the middle-class bill of rights * * * It will give needed tax relief and raise incomes in both the short run and the long run, in a way that benefits all of us."

We say "welcome back aboard" to the President. We need President Clinton with us as the budget process continues. He has a critical role as we move forward.

We cannot enact our groundbreaking legislation without his signature. We cannot carry out the people's agenda without the people's President behind us.

And President Clinton needs us, too. So we have prepared a budget that meets the objectives outlined at both ends of Pennsylvania Avenue. Yes, Congress and the President may disagree about some of the specifics, but not our goals.

The budget must balance. It must protect and preserve Medicare. It must restore hope to those who have been trapped in the welfare system. And it must cut taxes for the middle-class, with the same child tax credit President Clinton promised in 1992, and again this year.

President Clinton considered family tax relief such a fundamental concept that he outlined it as a priority in that very first television ad of his Presidential campaign. "Together we can put government back on the side of the

forgotten middle class and restore the American dream," he told New Hampshire television viewers.

The time for vague promises is long past. If he still believes in the words he delivered with such conviction in 1992—and in the child tax credit that will turn those words into action—then the President must sign the budget bill we send him in 1995.

Thank you, Mr. President.

I yield the floor.

Mr. FORD addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Kentucky.

Mr. FORD. Mr. President, I want to take just 1 minute.

WE SHOULD TALK ABOUT THE ISSUES

Mr. FORD. Mr. President, I have never understood why the Senate should become a political arena. I have never heard so many speeches and so many names called and so many TV spots referred to. I can refer to the TV spots "read my lips," or I can refer to the vote on President Reagan's budget of 425 to 0 in the House.

I think we ought to get down to the issues. I voted for the tax bill in 1993, and 12,500 taxpayers in my State paid additional taxes and 315,000 paid less. Everybody else paid the same. We have less unemployment today in Kentucky than we had 3 years ago.

Let us talk about the issues, and let us not make this Chamber so political. I yield the floor.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Florida.

Mr. GRAHAM. Mr. President, if I could yield to the Senator from Minnesota who has a unanimous-consent request.

The PRESIDING OFFICER. The Chair recognizes the Senator from Minnesota.

Mr. WELLSTONE. Mr. President, I ask unanimous consent that following the Senator from Florida I have 10 minutes and the Senator from North Dakota have 10 minutes in succession.

The PRESIDING OFFICER. Is their objection? Without objection, it is so ordered.

Mr. WELLSTONE. I thank the Chair.

Mr. GRAHAM. Mr. President, I ask unanimous consent that my time, which is currently 20 minutes, be extended to 30 minutes as I wish to make a preliminary statement relative to Prime Minister Rabin.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. GRAHAM. Thank you, Mr. President.

THE PEACEMAKER, YITZHAK RABIN

Mr. GRAHAM. Mr. President, it is with deep sadness and great respect

that I offer my profound tribute to the memory of Prime Minister Yitzhak Rabin of Israel. Mr. Rabin was a warrior, brave in battle. He was a visionary, with the courage to seek peace. This Nation and this institution will miss him and his leadership. We will mourn with Israel in its time of loss.

Citizens of my State of Florida are honored that Yitzhak Rabin visited our State on many occasions. We were proud to host a man of such dignity, purpose, and resolve. And we join the world in prayer for healing as this great man was buried yesterday near the place of his birth 73 years ago. We extend our deepest sympathy to his family, but we rejoice in the life of this special man, who has earned the biblical truth, "Blessed are the peacemakers."

AN AMERICAN SUCCESS STORY

Mr. GRAHAM. Mr. President, on Friday of last week, November 3, I began a series of remarks about America's Medicaid Program. I plan to continue that series throughout this week.

In my opening remarks on Friday, I debunked the myth that Medicaid has been a failure. In fact, Medicaid, the Federal-State partnership for health care for poor children and their mothers, for the disabled and for the elderly, has been an American success story. The Senate should be building upon that success story, not retreating from it.

Thanks to Medicaid, the Nation's infant mortality rate dropped 21 percent during the period 1984 to 1992. In 1985, the infant mortality rate in the United States was 10.6 per thousand live births. In 1992, that had dropped to 8.5. The number of babies who were alive in 1992 who would not have been alive had we continued at the 1985 rate of infant mortality—8,000. That is an American success story.

Thanks to Medicaid, 18 million children have access to hospital, physician care, and to prescriptions as well as immunization and other preventive programs.

Thanks to Medicaid, senior citizens can live in dignity in a nursing home when their own private resources are no longer there and there is no family member to care for them.

Thanks to Medicaid, nearly 5 million low-income Americans receive help through the qualified Medicare Beneficiary Program which pays things like their part B, physician's Medicare monthly premiums, copayments, and deductibles as well as paying for prescription medication for the Medicare population, which is also medically indigent. For these qualified Medicare beneficiaries, Medicaid means the difference between a visit to the doctor's office instead of the use of the emergency room.

Thanks to Medicaid, this Nation has decreased its population of severely handicapped residents living in large State institutions from 194,000 to to-

day's less than 70,000. Today, 6 million disabled Americans are covered under Medicaid.

Thanks to Medicaid, children with catastrophic health problems or other special needs get treatment and care. In Florida alone, \$284 million is spent a year through Children's Medical Service, a Medicaid public-private partnership of national renown which last year served 128,000 Florida children. This Federal-State partnership, serving 37 million Americans, has been an American success story.

I have strained my ears to hear the justification, the policy basis, the rationale for the \$176 billion that is being cut from the projected needs of the Medicaid Program which, until \$11 billion was added back at the last minute, had been a \$187 billion cut.

Today I wish to examine why Federal spending on Medicaid has increased. In addition, I wish to look at the basis for the projected needs of those served under Medicaid as America enters the 21st century. Why has Medicaid grown? Why is Medicaid expected to continue to grow? Such an examination will debunk yet another myth. That myth is that you can cut \$176 billion from Medicaid without risking the deaths of infants or the neglect of the elderly or the unnecessary institutionalization of the disabled.

Wednesday and Thursday I wish to discuss how the Senate proposes to reward bad, manipulative behavior in the Medicaid Program and how the inappropriate plan to raid Social Security will be used as a means of paying for the reward in the plan that we sent to Congress. And, finally, I wish to suggest a better alternative, an alternative of genuine reform.

The key argument against Medicaid is that they say Medicaid needs to rein in spending because it is growing out of control. That is the principal argument of the critics. Let us look at the overall figures.

In 1988, Medicaid cost \$51.3 billion in Federal and State funds. We know the Medicaid Program is a partnership between the Federal Government and the States, each contributing to the total cost. In 1993, Medicaid costs had grown to \$125.2 billion. That sounds alarming, and virtually everyone agrees we must restrain the rate of growth of Medicaid. But no one has done a very credible job of explaining the policy basis for cutting \$176 billion.

Today I wish to examine why Medicaid has grown. There are two main factors that drive the cost of the health care system. First, how many people are served, and, second, the cost of serving each one of those people. In the case of Medicaid, we should put the second factor, that is, the cost of providing services to individual Americans who are covered under Medicaid, in perspective.

In the private sector, the growth rate and the cost per person served is estimated to be 7.1 percent per year. That is projected from the years 1996