

But, Mr. President, we have, in addition to the citizenship responsibility, we have the responsibility of being trustees for this country, being trustees for the spending responsibilities of the United States—an awesome responsibility it seems to me, one that goes far beyond simply spending, goes far beyond arithmetic, goes far beyond accounting. It goes into the character of a nation.

Whether or not we are able to pay for the things we want, whether we are willing to have a cost-benefit ratio and decide for ourselves if it is worth paying for, we pay for it. It is irresponsible to continue to put it on the credit card for our kids. Our credit card is maxed out.

Within the next month or 2 months, we will be asked to raise the debt limit—\$5 trillion. Talk about charts that impressed me a little some time ago, in 1970, the budget of this country was about \$204 billion, in that category. Twenty-five years later, the interest payment on the debt is more than the entire cost of the Federal Government in 1970—not very long ago.

So the question in the great debate is how do we go into the 21st century? How do we go into the new millennium? That is what the freshmen are focusing on.

There is a great deal more to the debate on this question today of rescissions, this question today of whether we can find \$15 billion to take out of spending, \$15 billion that will not go on the debt. There is more to it than just this spending issue. It has a good deal to do with national character.

So that is what it is about. That is what the freshmen are seeking to do. Unfortunately, the opposition, rather than taking a look at where are we, where do we need to go, what changes do we have to make, what changes did voters ask for, are saying, "Oh, no, we cannot change. We want to continue with the programs we have had. We want to continue with the war on poverty"—which has failed. The war on poverty was started 30 years ago, and there are more people in poverty now than there were then.

We have the greatest opportunity now than we have had for a very long time, a great opportunity to take a look at where we are going. I suggested there needs to be a stipulation in this great debate, and that stipulation also has to be not only do we have a responsibility to make it a better place to live, but also that people who want to make changes have as much compassion and as much caring as do those who do not. The idea that people wanting to make a change and wanting to take a look at where we are going signifies that we want to throw everyone out on the street and there is no caring and that it is simply a mathematical thing is absolutely wrong. I am beginning to hear it. I hear it almost hourly from the opposition—the reason for not making a change is because it is not compassionate.

Let me suggest if we want to take a look at the long range, we want to take a look at your kids, my kids and our grandkids, we need to have a little compassion about that. We need to have a little compassion about what kind of a financial position and responsibility for our Government will we have in the year 2000 unless we make some changes.

Of course they are difficult. Of course they are difficult changes. We must make them. Americans voted for change in 1994.

We have the greatest opportunity we have had for a very long time to take a look at programs and say are they fulfilling the objective? Is that the best way to deliver services to people who need them? To take a look at welfare and say, the purpose of welfare is to help people who need help and to help them back into the workplace. A hand up, not a handout.

That is what we ought to be looking for, and to measure those programs and see if, indeed, they are successful, or is there a better way to do it. Do we need 165 programs designed to go from school to work? Of course not. We need to put them together and look at duplicity and look at repetition and see if there is a more efficient way to do it. That is what this debate is about.

Frankly, we are having a hard time keeping that debate in the arena of finding better ways to help people help themselves. That is what it is for.

Mr. President, I hope as we go through it, there will be a stipulation that we are setting out to find a better way, a better way to help people who need help; a better way to provide incentives for everyone to work and take care of themselves; a better way for the business sector to invest, to create jobs, so that we can help ourselves; a better way to eliminate bureaucracy and duplicity so that we can deliver services.

That is what it is about. That is the responsibility that we have.

Mr. President, I thank you, and I want to yield to my good friend from Pennsylvania, who certainly is one of the leaders in this effort to find better ways so that we have a society of self-improvement rather than dependence.

Mr. SANTORUM addressed the Chair. The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SANTORUM. Mr. President, I ask unanimous consent I may proceed as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONGRATULATIONS TO THE HOUSE

Mr. SANTORUM. I want to commend the Senator from Wyoming for his continued effort to bring the freshmen here to the floor on a regular basis to talk about where this Senate is going and how we are living up here in the Senate to what the country said on November 8, and what the House is obvi-

ously very successfully doing in living up to their promises to the folks that they made when they ran for office back last year.

The first thing I want to do is congratulate the House, having voted, pretty strong showing last night, for a tax reform bill and a tax cut bill—both a tax cut bill and a tax reform bill. It is a progrowth bill, a bill that is going to create more jobs, it will help families, eliminate the marriage tax penalty that has existed—which is a tremendous break—an encouragement for people to marry, an encouragement to supporting families.

It is a bill that says to seniors that we believe seniors have value and worth, that seniors can, in fact, work past the age of 65 and earn a modest amount of money—\$20,000, \$15,000—and not lose your Social Security benefits, if you are age 65 to 70.

We think that that is important. It is an important sign to seniors that we understand that they have value to give to the communities and to give it their businesses, and that we do not want to discourage seniors out of the work force and penalize them at a rate of over 50 percent in taxation if they make over \$9,600 a year as a senior. We think that that is a very positive thing that occurred in that tax bill last night.

The adoption tax credit provision which encourages adoption, we believe, is also a very, very positive profamily kind of tax change. And the list goes on.

I want to commend them for the great work that they did in paying for the program. It is not a tax cut that will increase the deficit. They offset it, more than offset it, with spending reductions in order to pay for the tax reductions.

That is the kind of decision that we will have to be making, whether it is, in fact, better to have a person keep their money or is it better to have a person send their money here and for Washington to figure how best to spend it, and of course take the cut for bureaucracy and write rules and regulations that make no sense, then send it back. That is the difference.

I think it is a pretty easy call for most Americans. I am not surprised that it passed over in the House, and I will not be surprised when it passes over here in the Senate.

On a larger scale, I want to congratulate the House for the great work that they have done. In 91 or 92 days they passed nine major pieces of legislation, nine major bills. The amount of work that they did in working—and I know a lot of folks around do not believe that Members of Congress and the Senate work very hard. I will say if we look at what the House of Representatives has done in this first 90 days, and the amount of hours they put in legislation in committees and in working groups and putting this stuff together to pass this kind of massive change that they promised, I think a person might think

again as to whether Members of Congress do in fact earn their keep.

Let me suggest that the most important thing—I ask this question all the time—the most important thing that came out of the House of Representatives was not the tax bill, was not the balanced budget amendment, was not the line-item veto.

The most important thing was they kept their promise. They kept their promise. They ran and they said, “If you elect us, we will do 1, 2, 3, 4, 5, 6, 7, 8, 9, 10—we will do these 10 things. We promise you we will bring them up and we will get a vote and we will work our darndest to try to make that happen.” They could not promise passage because you never know. But they promised they would try their best.

Do you know what? They introduced bills exactly the way it was written in the contract. They did not change it. They did not say, look, I am going to cut taxes for middle-income people and then pass a tax increase. They did not say they were going to be for a balanced budget amendment and then pass big spending increases. No, they did exactly—exactly what they promised the American public. And they succeeded on 90 percent of it.

They are batting .900. Ted Williams would be proud—.900; 90 percent of what they said they would try to do, they did.

The only one they failed on was the constitutional amendment, which as most people know takes two-thirds of the body to pass, which is well beyond the number of Republicans that there are in the House of Representatives. So: The first ever vote on term limits. They failed, but 85 percent of the Republicans supported it. They got a majority of the House to support it. It is building. It is on the track to eventually pass, probably after the next election. So I think the country should look at the House of Representatives.

One of the big concerns I had when I came to the U.S. House, 4 years now, now here in the Senate, is I think the public has lost trust in our institutions. They do not believe that we mean what we say or say what we mean; we are here and all we care about is getting reelected and having some power and being able to throw our weight around. What the public really wants does not really matter. It is just this big game down here.

Is it not nice to know that promises can be kept; that people do sometimes mean what they say? They made some hard decisions. A lot of this stuff was not easy to do. A lot of it came, as you probably heard in the last few weeks, with a lot of criticism raining down on how mean-spirited this Contract With America is.

I know it is mean to cut off a lot of bureaucrats here in Washington—that is mean—and to give that money back to you. That is very mean to the people who are here to protect the bureaucrats. I know it is mean to say people who are on welfare have to work at

some point. That is terrible. It is terrible that we should require people to work. It is just unbelievable to me that argument was made on programs that were trying to help people. We are trying to give more responsibility and freedom and choices back to people, but that is the way things are in this town. If we do not keep the power then it is mean, because of course we are the only ones who actually care about people. You do not care about your neighbor, we do. You do not care about your family, we do. We care about it more than you do.

I am sitting right behind the desk of the Senator from Texas, Senator GRAMM. I will never forget a statement he made on one of these talk shows. Ira Magaziner was on and they were talking about the health care plan of Clinton's a couple of years ago and Magaziner was making the point he does care about children, he does care about the young people in this country and the folks who are uninsured. He says, “I care for your children as much as you do.” That is what he said to PHIL GRAMM, and what PHIL GRAMM said, I think, was classic. And that is: “OK, what are their names? What are their names?”

You see, we all care. But do we really care about that one person? Do we really understand what their needs are? Not what “the needs” are, but “their needs?” What “their concern” is? See, that is the problem. We cannot deal with “a concern.” We deal with “the concerns.” The problem is “the concerns” sometimes do not beat “a concern.” And the closer we get to “a concern” and the closer we can tailor and allow the people who have the feeling and the relationship to deal with that concern, the better our country and the “gooder” our country is.

This line has been used a lot around here and it is so true, the de Tocqueville line. “America is great,” he wrote in *Democracy In America*, “America is great because America is good.”

The people are good, they care about each other. They reach out to their fellow man. There are volunteer organizations that developed here in the 1800's and 1900's that just did not exist anywhere else in the world because Americans cared about each other and felt that relationship and kinship. And he said America is a great country because it is a good country. “And when America ceases being good it will cease being great.” We are ceasing to be good because we have delegated everything to this massive bureaucracy here in Washington to be good for us.

You hear the people, as you will over the next few months, get up and talk about: How can you be so mean as to not give money to—this or that. Folks, it is not my money. See, I am taking that money from somebody else who worked darned hard to make it. And who says I know best how to spend their money to help somebody else? That is the basic premise of what is going on here.

If you want to talk about the revolution that is going on, that is the basic premise. I care as much—I believe more—but I do not necessarily think I am the best person equipped to make those decisions for everybody. We can best make those decisions one-on-one, local communities and groups, as opposed to here in Washington, DC. That is the fundamental argument.

So, when you look at the first 100 days and you see what has happened in the U.S. House of Representatives, and I believe what will happen in the U.S. Senate, if you look at what we have accomplished and the hope that we have given to Americans that we in fact can change, that America, again, can be good, that America can be great, I think it is an inspirational story.

We have done something in the House—and I believe the Senate will follow—we have done something that is more important than any one particular thing, and that is, I hope, we have restored the faith that the American public used to have in their institutions. Because if they do not believe in us, if what we say is irrelevant, if they do not believe in anything we say on the campaign trail, that we are just a bunch of folks who say what we need to say to get elected—if they do not have any faith in what we stand for, if they think all we are going to do is change our minds when we get down here, then democracy itself is in danger.

If people do not believe in us anymore, if we do not stand for anything anymore, if all we are is symbols of a corrupt institution that does not respond to what the will of the public is, then democracy fails. It falls from within.

Whether you agree with what the House of Representatives has done, whether you agree 10 percent, or 90 percent, or 100 percent, you have to stand back and say “Well done. You did what you said you were going to do. We may not like it but, darn it, you did. And you have to tip your hat to that.”

Hopefully here in the Senate, while we did not sign the Contract With America, and no one in this institution did, and that is often repeated, we have an obligation to do something. We have an obligation to follow through and let the country know that elections do matter; that when the country speaks, we here in Washington, in both the House and Senate, listen.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. THOMAS. Mr. President, I yield time to the chairman of our freshman group, the Senator from Oklahoma.

The PRESIDING OFFICER. The Senator from Oklahoma.

The PRESIDING OFFICER (Mr. KEMPTHORNE). The Senator from Oklahoma is recognized.

Mr. INHOFE. Thank you, Mr. President. I thank the Senator from Wyoming for giving me some time to talk about this.

I do not think there is any subject nor any issue in America right now that people are more concerned about than what is happening with the budget and with the deficit.

I just had an experience a minute ago with two very dear people, and I would like to deviate a little. It fits very well into this. Two of the most beautiful women in America are Yvonne Feddersen and Sara O'Meara. They started many years ago an effort to address the problem of child abuse. This blue ribbon is in recognition of Child Abuse Prevention Month that is taking place right now. Here is a bumper sticker. They started many years ago a program outside of Government to do something effectively about the problem of child abuse in America.

We saw just yesterday a bill which passed the House of Representatives that also recognizes that the problems of this country are not going to all be addressed by Government. In fact, in many cases, Government is the problem.

This particular program, which was started by Sara O'Meara and Yvonne Feddersen many years ago, has a hotline throughout the Nation. Anyone who has an idea about or knowledge of child abuse can call 1-800-4-A-CHILD.

The reason I bring this up, Mr. President, is because this is a national problem. It seems to me that in the last 40 years the very liberal Congress in both Houses has felt that you had to respond to these problems by starting some new Government program. I suggest to you that most of the programs which address the problems in the Nation today are not Government programs, they are programs in the private sector. This program is a perfect example. They have in every State and every contiguous State—and perhaps the others too—a program where people can call a hotline and do something about one of the most serious problems in America, which is child abuse.

The Government has a number of programs. But I suggest to you when you look at the effectiveness of these programs it is far more effective to have one that is run by the private sector, that is staffed by volunteers, than having one that is a Government program. Our problem is we have become accustomed to assuming that the problems can be addressed by the Federal Government better than by the private sector.

In the bill that was passed yesterday in the House of Representatives, there is a tax incentive for families to take care of their own children as opposed to Government taking care of them. There is a tax incentive—not many people are aware of this—of \$500 for people to take care of the elderly. This is something that many people did not know was in that bill, which just passed yesterday. The idea is families

in this country can take on a lot of responsibilities that Government has learned to assume.

I read something with interest the other day. It is an article by Thomas Sowell. Thomas Sowell is an editorial writer. The name of his article is "A Dishonest Slogan." This "Dishonest Slogan" is the one that is called trickle down. It seems as if the liberals feel that with Government, higher taxes are the answer to our problems—and this was said, by the way, on this Senate floor by the distinguished Senator from West Virginia, Senator BYRD—that we need higher taxes in America. Then when they talk about the fact that they are giving tax reductions, they try to use slogans like "trickle down."

Mr. President, I ask unanimous consent that, at this point in the RECORD, this article by Thomas Sowell be printed.

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

A DISHONEST SLOGAN
(By Thomas Sowell)

If there were a prize for the most dishonest phrase in politics, the competition would be fierce and the outcome very uncertain. However, my nomination would be the phrase "trickle-down economics."

The trickle-down theory is supposedly the notion that the way to benefit the poor is to have the government provide benefits to the rich, which will then trickle down to the poor. But there is simply no such theory—not in Adam Smith, not in John Maynard Keynes, not in Milton Friedman. Not in anybody.

My specialty within economics is the history of economics theories—but there is no history of any such theory.

Still, no political campaign is complete without liberals accusing conservatives of applying trickle-down theories to benefit the rich, instead of having the government give benefits directly to the poor. With Republicans likely to raise the issue of reducing the capital gains tax in the next Congress, Democrats will no doubt cry that this is a "tax break for the rich" based on "trickle-down economics."

Let's go back to square one. There is no investment income to tax until after an investment has been made and people hired—and after it all works out successfully, which is by no means guaranteed. In short, the benefits to investors come after the benefits to those they employ, not before.

When investments finally pay off, perhaps years later, it would make no sense to call the eventual profit simply income for the year in which it is received. That is why capital gains are taxed differently from ordinary income.

Often there is no real capital gain at all, except on paper. If you bought an asset back when the price level was half of what it is today, and you sold the property for twice what you paid for it, then you have just kept up with inflation. If you sell it for 50% more than you paid for it, you have actually lost part of the real value.

Even when your capital "gain" does not keep up with inflation, the government still taxes you on it. Moreover, these kinds of "gains" go into the statistics supposedly showing that "the rich are getting richer and the poor are getting poorer."

Despite tilting against the windmills of a nonexistent trickle-down theory, the last

thing the liberals want to do is to give benefits directly to the poor. They may not have a trickle-down theory, but in practice they make sure that any benefits to the poor trickle down through layers of bureaucracy and are siphoned off to pay the salaries, consulting fees and research grants of all sorts of "experts" with degrees.

That is why studies have shown that every man, woman and child in America could be raised above the official poverty level by direct transfers of money, at less than half the cost of all the government's antipoverty programs. Lots of people who are not poor by any stretch of the imagination have to be taken care of out of antipoverty money.

Proposals to replace public housing programs, "retraining" programs and other social experiments with hard cash given directly to the poor have repeatedly run into a buzz saw of opposition from liberals. They don't mind more money being given to the poor—or to anybody else—but not at the expense of programs that employ bureaucrats and "experts."

These anomalies are not accidental. The welfare state is ultimately not about getting more money into the hands of the poor but about getting more power into the hands of government. In program after program, the poor are to benefit only insofar as they allow themselves to be directed and manipulated by their self-anointed saviors.

When people get private sector jobs instead of government handouts, the situation is completely different. Capital gains tax reforms are needed simply to stop the government from discouraging the investment that provides employment.

It is nonsense to call this "trickling down" because the investment has to happen first, and workers have to be hired first and paid first, before the investor has any hope of reaping any gains. Since capital gains come last, not first, they do not "trickle down."

Obviously, the higher the capital gains tax rate, the less the incentive to invest and hire. If you want more Americans employed, you don't punish people for employing them. Otherwise, the investors have every incentive to invest their money in some other country that doesn't have such high capital gains taxes—or doesn't have capital gains taxes at all.

But the liberals are so politically dependent on class warfare, and on their own role as saviors of the poor, that they are very slow to admit that there wouldn't be so many poor for them to save if there were more jobs created by the economy. On the other hand, if they are not playing the role of saviors of the poor, how are they to get re-elected?

Mr. INHOFE. Mr. President, the idea is that nobody benefits from a capital gains tax or some of these tax reductions until they have actually provided a stimulus to the economy. For example, if you have a capital gains tax, the individual who will eventually benefit from that tax cannot benefit until he has already started a company, already invested his money, already met a payroll, and already hired people. What the liberals in Congress refuse to recognize is that for each 1 percent increase in economic activity in America, it produces an additional \$24 billion of new revenue.

I am so sick and tired of sitting on the floor here listening to the liberal Members of Congress talk about how it did not work in the 1980's, how we tried tax reductions in the 1980's and look what happened to the deficit. Well, the deficit went up during that decade, but

it did not go up because we had tax reductions. It went up because the Members of the House and the Senate have an insatiable appetite to spend money that is not theirs and are borrowing it from future generations.

I will give you an example. Back in 1980, the total revenues that were derived from the marginal tax rates in America were \$244 billion. Then, in 1990, the total revenues that were derived from the marginal tax rates in America were \$466 billion. What happened during that 10-year period? During that 10-year period, we had the greatest tax reductions in this Nation's history. Remember, the highest rate went down from 70 percent to 28 percent. We had capital gains tax reductions. We had reductions all the way down so that people knew they could keep more of the money that they made. This stimulated people to invest in equipment, in company, in employment, and it did, to borrow a phrase that is often abused by our President, it did "grow America." So we almost doubled the revenue during that 10-year period when we had the largest tax reduction.

I would like to mention one of the things that I told the Senator from Wyoming, Senator Thomas, that I would make a reference to; that is, the moral issue that we are dealing with right now. I gave a talk not long ago where I had the pictures of two beautiful children on an easel behind me. Those two beautiful children I identified in the first hour as being my two grandchildren, Glade and Maggie. Each of them will be celebrating their second birthday this month. They are beautiful little children.

When people talk about the programs they say are going to be cut when we have passed a balanced budget amendment—and we will try to reach a balanced budget—and they try to pull on the heartstrings of America and say that all these great, wonderful Government social programs are going to be cut, they neglect to tell you who is really going to be punished by these programs, who is really going to be punished if we do not do something to bring the budget into balance, which we are going to do. And I do not want to sound partisan here, but by Republicans taking over the House and the Senate, you are going to see some cuts. You are going to see come growth caps. But you will see our budget come back into balance, and we are targeting right now the year 2002.

Let us look at what is going to happen if we do not do this in America. According to the CBO and all the other analysts, where are we in America today if we do not have some type of a change in the program that we have had? They have said that, if we continue to go on as we have gone in the past, if we do not pass a balanced budget amendment, if we do not bring it into balance, that a person who is born today, during his or her lifetime, will have to pay 82 percent of his or her life-

time income for taxes to support the Government programs. Stop and think about that.

The other day, we had an interesting visitor. We had a number of visitors from all over the world. This was during the National Prayer Breakfast. We had people from all over the world there. I was in charge of a group of the national visitors from the Ukraine, from Eastern Europe and some of that area. One man was here from Moldavia. He asked me a very interesting question. He said, "Senator INHOFE, here in the United States, how much can you keep?"

I said, "Pardon me? I do not understand what you are saying."

He said, "Well, when you earn something, how much do you have to give the Government?"

I said, "Well, that is a real interesting question." I kind of established a guess because there is not really a very simple answer to that question when you stop and think about what the Government really absorbs.

But he said, "We are celebrating in Moldavia. We are so thrilled that finally, after all these years of communism, we now have a free economy. We now have a free society. We now can own property. We now can buy businesses and we can work hard and pass on to future generations that which we reap."

I said, "In your country, how much do you have to give the Government?" He said, very proudly, "We get to keep 20 percent." I said, "How does that work?" He said, "Well, when you earn money, if you earn a dollar, you have to give 80 cents of that dollar to the Government." They do not wait until year end, Mr. President. This is something that is ongoing. And then we looked around at each other and thought, here are these people, seeking their freedom, so excited about this, they are all through with communism, and they can benefit and they can enrich themselves and future generations and how happy they were, and yet they have to give to Government 80 percent of what they have.

Mr. President, that brings it really to the surface of where we are today. If we do not do something to change this path, we will be behind Moldavia. It will cost our future generations 82 cents on the dollar.

So I would like to think that this is not a fiscal issue. It is a moral issue. We are going to see in the next few weeks the Republicans coming out in the House and the Senate with a program, with a budget, a proposed budget that would eliminate the deficit by the year 2002. I disagree with the way we are doing it. I hate to be the one who disagrees with my own party. I have talked to different people who are on the Budget Committee, and I say I think we are making a mistake when we come out with a budget and say exactly where we are going to cut programs, where we are going to expand programs. Why not do what we know

would work? Let us put spending caps on. If we initiate a resolution that says we are not going to let any Government program increase more than 2 percent, we would not touch one program, not have a reduction in one program, not have elimination of one program, and we would be able to balance the budget by the year 2002.

That is because—and most people do not realize it and you are not going to hear it said by a lot of the liberals here in Congress—our problem is not where to cut programs but how to stop the accelerated growth. And when you hear people like the President standing up and saying proudly, "We are cutting the deficit," that is garbage.

There is an article everyone should read. It was in the Reader's Digest last year. It was called "Budget Baloney." And in it they described how Members of Congress say they are cutting the deficit. They described it this way: They say let us say you have \$5,000 but you want to buy a \$10,000 car. All you have to say is I really want a \$15,000 car, but I will settle for a \$10,000 car and I have cut the deficit by \$5,000.

That is the way they do things around here.

Let me suggest to you that there is going to be a come-home-to-roost time. There is going to be a time when these individuals who have habitually voted for expanded Government into our lives and are not a part of the revolution of November 8 are going to have to come back and take the consequences.

I would like to show you just two charts that we put together back when we were debating the balanced budget amendment to the Constitution.

This chart shows the characterization of those Members of the Senate who were voting for an amendment called the Right To Know Act. Now, what this was was an amendment to the balanced budget amendment to the Constitution, and it said show us exactly where you are going to cut every program. Obviously, you cannot do that 7 years in the future. But we analyzed the voting behavior of the 41 Senate cosponsors of this bill. We find that every one of them voted yes on the \$16 billion President Clinton tax stimulus program which was the largest increase in spending that we have had in one bill, I believe, in the history of the Congress; that every one of the 41 who had signed on as cosponsors to this amendment was ranked by the National Taxpayers Union as either a D or an F. In other words, the people who were behind this were the people who were the big spenders in Congress.

Then the most revealing chart is the one that shows what is going to happen to a lot of these people by showing what did happen to them in the revolution of November 8.

On November 8, there were either defeated or retired in the Senate eight Senators. Of the eight Senators, all eight voted for the spending increase. This was the spending increase that put all kinds of subsidized programs in

there, supposedly to stimulate the economy. All of them voted for the tax increase. The tax increase was the 1993 tax increase that President Clinton had. It was characterized as the largest single tax increase in the history of public finance in America or any place in the world, and those are not the words of conservative Republican JIM INHOFE. Those are the words of PATRICK MOYNIHAN, who at that time was chairman of the Senate Finance Committee.

Further down here they all had either D or F ratings by the National Taxpayers Union. In other words, they were the big spenders, and those are the ones who were defeated. They are not here. Look around. They are not here.

In the House of Representatives, 66 of them went out. Almost all of the 66 voted yes on the stimulus bill, voted yes on the tax increase, and had a D or F rating by the National Taxpayers Union.

So I just suggest to you, Mr. President, that we make it abundantly clear to the liberals in Congress, the few liberals who are left, because most of them were wiped out in the November 8 revolution, there is going to be another wave coming up in 1996, and this is the opportunity for us to be fiscally responsible, for us to be able to stand up and say no to some of these useless programs that have outlived their usefulness and say yes to future generations, including my two grandchildren, Glade and Maggie Inhofe. This is what is going to work for America, and this is probably the centerfold of the revolution of November 8.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will please call the roll.

The legislative clerk proceeded to call the roll.

Mr. LEAHY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEAHY. Mr. President, I understand that the parliamentary situation is that we are in morning business; is that correct?

The PRESIDING OFFICER. Technically speaking, the Senate is on H.R. 1158.

Mr. LEAHY. Mr. President, if no one else is seeking recognition, I ask unanimous consent to proceed as though in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

REMOVING THE ANTITRUST EXEMPTION FROM MAJOR LEAGUE BASEBALL

Mr. LEAHY. Mr. President, yesterday the Senate Subcommittee on Antitrust, Business Rights and Competition of the Committee on the Judiciary voted out S.627, the Hatch-Thurmond-Leahy bill clarifying the application of our antitrust laws to major league baseball.

What we did was to remove the antitrust exemption given to major league baseball. I hope that the full Judiciary Committee, the Senate and the other body will take this up and pass it relatively soon.

Baseball has for decades had a special exemption from the antitrust laws, which laws apply to everything else, every other business in this country and every other professional sport. What this means is that baseball and those who own it and run it are basically above the law.

Now they have shown what this means. They have shown great disdain for the fans, for those who do not make the \$1 million salaries, like the people who park the cars, that sell peanuts and beer and hot dogs and soda at the various stadiums, for the communities that have taxed their people through bond issues to build stadiums, for those who make the pennants and the T-shirts and the baseball caps, and even, in the State of Vermont, those who make the souvenir bats given out on bat day. Such people have been out of jobs over the past year because of the baseball strike.

And throughout all of this, people, some acting in extremely high-handed fashion, are able to say, "Well, the fans be damned. Because we have this exemption from antitrust, we can act together. We can do whatever we want."

The antitrust exemption was provided for baseball on the assumption that those who control baseball would act in the best interest of the game and the best interest of the fans, would do it responsibly and that we would have a strong commissioner. The practical matter is they have done none of this in the last few years.

I recall testimony in a hearing that Senator THURMOND and I had in which the question was asked: Let us assume baseball did not have an exemption from the antitrust laws and let us assume we saw the situation, the sorry situation, we have seen for nearly a year in baseball. If the owners came in and said, "Oh, by the way, Congress, give us something you have not given any other business. Give us an exemption from the antitrust laws." Would they not be laughed off Capitol Hill? Of course, they would.

Republicans and Democrats alike, both in the Senate and the House, would say, "We are not going to give you that. We are not going to give you this special exemption from the antitrust laws that we don't give to football or basketball or General Motors or Dow Chemical or Monsanto or Apple Computers or anybody else. We are not going to give it to you. And especially we are not going to give it to you because of the way you have been acting."

We would not pass a statutory exemption, and I daresay, Mr. President, there would not be one Member of the U.S. Senate that would vote to give them an antitrust exemption today, yet they have it.

So, I hope, by the same token, everyone in the Senate will join with Senator THURMOND, Senator HATCH, and myself—an interesting coalition, if ever there was one—and would withdraw the antitrust exemption. It is not deserved by baseball. It should not be continued for baseball. They should be treated as anybody else.

Their behavior in the past year has shown why they should not have that special exemption, if they ever really deserved it. But whether they have deserved it or not, they have now lost it. We should take it away.

So, Mr. President, I hope that this legislation will work its way through the committee process fairly quickly, come to the floor of the Senate, and be voted upon.

I have watched some of the activities of the baseball teams, I mean things that are so petty, so petty. For example, the way they treat Little League teams.

When I was a youngster and when my children were, the idea was, if you had a Little League team, you built up some following for various teams. You proudly wore the logos of a team—the Red Sox, the Yankees, whoever else it might be.

Now they say: "Well, we will require each one of those children to pay us \$6 for the privilege of having their logo on their uniform." This is just penny-ante baloney.

What it does, it says, "We expect you to be fans supporting us, but, kid, you're going to pay for it."

I recall as a child being at Fenway Park and seeing some of the greats of baseball come by. If you held out a baseball, they would autograph it for you. And they were paid a tiny fraction of what is paid to these multimillionaires today who tell you, "Yes, you can come in and for x number of dollars we may give you the autograph." This is spoiling the whole idea of baseball.

So, as I said, Mr. President, we ought to lift their antitrust exemption. They do not deserve it. They never really earned it in the first place, and they have done nothing to keep it today. Let us get rid of it. Let us treat them as the business they have become and let us stand up for the fans for a change.

I have seen a situation in the hearings where even the acting commissioner of baseball in his testimony tried to mislead the Senate; gave conflicting testimony, gave testimony that turned out not to be true; and did not move to correct his testimony. This is the kind of disdain that they show for the Congress.

Well, then let us not give them the exemption to the laws. You can have disdain for the laws, you can have disdain for the game, you can have disdain for your own responsibilities, you can have disdain for your own fans, but we are not going to give you a special