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AN OPEN LETTER TO THE PRESIDENT AND CONGRESS

CHARLES SCHWAB,  
January 1996.

DEAR MR. PRESIDENT AND MEMBERS OF CONGRESS: I want to take this opportunity to thank you for your hard work and vision with regard to the budget process, and in particular, Individual Retirement Account reform.

Today, the average American household, with family members who are between the ages of 51 and 60, has less than \$18,000 in personal savings, excluding their home. With Social Security teetering on the brink of disaster, this is simply not enough of a resource to survive on for the next 20 or 30 years of their retirement. Unless this problem is forcefully addressed, the vast majority of Americans will not have the money necessary to fund their own retirement expenses and may become a burden on their children, grandchildren, and the federal government for generations to come.

One of the only responsible solutions is to expand the IRA now in the current budget process:

When the IRA deductibility was eliminated in 1986, IRA contributions dropped from almost \$40 billion in 1985—to a low of \$7 billion last year for deductible contributions.

Currently, over 25 million families are excluded from investing in deductible IRA's, and they are relying on Congress to abolish the income limit so they can save for their futures. If we can't abolish the income limit, then why not shorten the time frame for expansion and include indexing for inflation?

The time has come to stop discriminating against non-working spouses by letting them have an equal opportunity to invest in an IRA.

The United States now has the lowest savings rate of any industrialized nation in the world. If we increase savings we will create new jobs and build new industries.

I urge you to act now for the sake of our country.

Sincerely,

CHARLES R. SCHWAB,  
Chairman.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

EXTENSION OF MORNING BUSINESS

Mr. LOTT. Mr. President, in view of the hour, we have extended until 1:30 the time for Senators to speak for up to 10 minutes. It had been our intention to move to recess at that time under the previous order, however, I note that some Senators have come to the floor and have indicated they would like to speak. I have a couple of people who wish to speak. Senator NICKLES from Oklahoma indicated that he would like to speak, and the Senator from Virginia.

Mr. FORD. We can get by with 10 minutes on this side as of now, I say to my friend.

Mr. LOTT. Mr. President, I ask unanimous consent that we extend the hour for morning business until 1:50 with Senators allowed to speak for not more than 10 minutes.

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

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I thank my friend and colleague from Mississippi for his courtesy.

MIKE SYNAR

Mr. NICKLES. Mr. President, it is with sadness today that I note the passing of an Oklahoman, former Congressman Mike Synar, who died yesterday, Tuesday.

He lost a courageous battle to cancer, which he had been fighting for several months. If anyone knew Mike Synar well, they knew that he was a courageous person and they knew that he was a fighter. Mike Synar was an active Oklahoman. He was very active in 4-H as a young man. He was a student leader at the University of Oklahoma. He attained a masters at Northwestern University, and a law degree at the University of Oklahoma in 1977.

A year later at the age of 28 he was elected to Congress. He defeated an incumbent Congressman, something at that time that was seldom done. It showed that he was a very tenacious campaigner, a very energetic individual to be elected at such a young age and to defeat an incumbent at the same time.

Mike Synar served in Congress for 16 years between 1978 and 1994. To say the least, he was energetic, he was outgoing, and he was passionate about many things. He had very strong convictions. And I greatly respected him because he did show the courage of his conviction on a lot of issues—a lot of issues maybe that were not the most popular in our State and in his district.

But he was outgoing. He was willing to take on special interests at various times—sometimes at risk and jeopardy to his political career.

Mike Synar passed away yesterday, Tuesday, January 9, and I wish to extend my condolences and sympathies to his family, to his friends in Muskogee and his friends from throughout the country.

Mr. DORGAN. Mr. President, will the Senator from Oklahoma yield?

Mr. NICKLES. Yes.

Mr. DORGAN. I appreciate the Senator from Oklahoma yielding.

MIKE SYNAR

Mr. DORGAN. Mr. President, I would like to, if the Senator will allow me, participate in his expression of sympathies for the passing of Congressman Synar, former Congressman Synar. He was a remarkable man, and I worked with him on a lot of issues.

I recall—the Senator might recall—that prior to the last election, the election before that, he had a very close race, and an enormously controversial race. And I said to him one day, "You do not make it easy on yourself, do you?" He said, "No. I did not come here to make it easy. I came here to decide

what I want to fight for, and I fight for it and let the chips fall where they may."

That is the kind of person he was. He was a remarkably strong, energetic person. I considered him a good friend. I, today, lament his passing, and pass my sympathies to his family.

I again thank the Senator from Oklahoma also for his words on behalf of the life of Mike Synar.

Thank you very much for yielding.

Mr. NICKLES. I thank my colleague.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

Mr. ROBB. Thank you, Mr. President.

MIKE SYNAR

Mr. ROBB. Mr. President, I would like to add a word, too.

I did not have occasion to work as closely with Congressman Synar as my colleague from Oklahoma, or my colleague from North Dakota who has worked with him in the House. But I did have occasion in several instances to work with him. And although we were not always on precisely the same wavelength, he was certainly a man who believed heartily in the causes which he espoused and showed a remarkable degree of courage and commitment. And in that sense, I think we will all certainly miss him, whether or not we all knew him in entirely the same way.

THE FEDERAL EMPLOYEES

Mr. ROBB. Mr. President, let me just say a word, if I may, to what my colleagues have already alluded to, some good things that have happened in the last few days.

I would like to say a word on behalf of the many who work for the Federal Government—the Federal employees not only in the Washington area but around the country and the many others who work for the Federal Government.

We have been through a very difficult period where for some 3 weeks, in effect. We told many hard-working, dedicated Federal employees to stay home. And they were able to work through this period. Many of them came in, many without getting paid, and others who recognized essential services that they were providing. But, just at the conclusion of that long and very difficult period for many people who work hard on a day-to-day basis without a great deal of recognition, we had a snowstorm, the blizzard of 1996 here on the east coast that pretty well shut down everything.

I know that there has been a great deal of concern in the last day or two about when and under what circumstances Federal employees would be asked to come back to work. I would simply like to say to all of those who have been through a very rough period, and for those other people who work with the Federal Government, whether

they contract with the Federal Government, or whether they are dependent upon the effective operation of the Federal Government, thank you for your understanding.

It is certainly my hope that we have all learned a lesson and that we will not under any circumstances close down the Federal Government under similar circumstances again. It simply was counterproductive and costly for everyone.

I applaud the majority leader for the initiative he took earlier in the week to bring that particular chapter to a close. I do understand that there are fundamental differences that are still at stake. I applaud both the President and the chief negotiators from the Congress for the statements that they made yesterday so as not to exacerbate the problem, to leave open the prospect that they will be able to find common ground, refer to the temporary suspension rather than the collapse of those particular talks because there are very significant and important issues that I think benefit from the kind of discussion and kind of intense focus that they have had during the last few weeks.

I hope that process will continue. I think it makes sense for those who have been locked in what might appear to be mortal combat for a period of time to take the period away from the table, away from the talks, to have an opportunity to refresh themselves and their minds, and get a little different perspective. I hope that they will come back ready to work on those essential issues that continue to divide us.

I hope that all of the Federal employees who have been in all cases inconvenienced—in many cases put through some very severe hardship—will now assist in getting all of the functions of Government back up to speed as rapidly as we can.

Whatever decision is made tonight, I suspect that the Office of Personnel Management will announce that the Federal Government will be formally open tomorrow. But there are still, clearly, many Federal employees, and many other citizens in the area, who are unable to get out of their homes, out of their driveways, and find any reasonable prospect of getting to work in the way that they would normally get to work.

I hope that Federal managers and Federal supervisors will be understanding, but that Federal employees themselves would make that little extra effort to catch up on a lot of work that has gone undone during the last few weeks. Many people are critically dependent on them catching up with the work that needs to be done.

For all those who are going to be doing it and for those who have been both inconvenienced, and in some cases placed at a real hardship, I want to say on behalf of I think all of our colleagues on both sides of the aisle, we understand what they have been through and we understand the incon-

venience, we understand what has happened both with respect to the budget negotiations as well as the weather. We thank you for sticking with us. We hope you will continue to work as hard as you can to get us back up to speed and functioning as rapidly as you can.

With that I thank the Chair and yield the floor, Mr. President.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The majority whip is recognized.

#### THE BUDGET NEGOTIATIONS

Mr. LOTT. Mr. President, I would like to join others in expressing my appreciation to those that have been negotiating in this historic effort to move toward a balanced budget and reduce the size and scope of Washington in our lives. I know that they have met, as I understand it, some 50 hours with the President, the Vice President, and others from the administration, the majority leader and the minority leader in the Senate, and the majority leader and minority leader from the House of Representatives, the Speaker.

They certainly have made a supreme effort to close the differences in trying to reach an agreement. It has been a monumental undertaking. It is historic. I emphasize again this is not an insignificant event. You are talking about a lot of the taxpayers' money being at stake. You are talking about fundamental change in the way that Washington spends money and the efforts to reduce that level of increased spending in the future and an effort to allow the taxpayers to retain some of their hard-earned money, trying to get some fundamental reform in the so-called entitlements area.

It is a major effort to accomplish this. So I think they have made a good-faith effort. I understand they have made some progress. There has been some movement on both sides. You can characterize which one has moved the most. Obviously, I think that the majority from Congress has made the greatest movement. But the fact is, they both have changed some.

I think that probably this recess was unavoidable and perhaps even good at this point. There have been shifts in positions. Listening to the majority leader and the chairman of the Senate Budget Committee and the House Budget Committee, they felt last night the last offer that had been made by the majority was as far as they could go in a number of areas.

I think maybe now they can take this time to take a breath, look at what has been proposed, and the administration, the President, can look at what has been proposed and see if he cannot make some additional changes, because I do know that the majority made changes in Medicare, Medicaid, welfare, in the earned income tax credit, and even a proposal to bring down the tax cuts from what I believe had been \$203 billion down to \$177 billion. So a lot of changes have been made.

There is good reason to get this agreement. There is a lot to be gained for all involved. First of all, the most important thing is if we get a budget agreement America will benefit. Then there will be benefit for all those that have been involved, including the administration and the Congress, both parties. So we should do it.

What is to be gained? Clearly, the experts say if we get an agreement you will see a further decline in interest rates which will help us all—those who want to buy a home, buy an automobile, pay for college. Lower interest rates is something we really want to achieve. That would be a benefit if we could get this balanced budget in 7 years, if we get real numbers agreed to. That would mean more jobs, lower interest rates, selling more refrigerators, automobiles. It will create jobs. I understand it would lead to lower trade deficits, and also it would lower the national debt in the future.

If we do not get this agreement, then this almost \$5 trillion debt we have will continue to go up. And to try to control the rate of growth of that debt is certainly a supreme accomplishment that we should work on. I understand that it has been estimated the average benefit per family per year from this agreement would be about \$1,000 per family, not an insignificant amount, a minimum of \$7,000 just from the benefit of getting the balanced budget, not to mention what we might do in the tax cut area.

What is to be lost if we do not get an agreement? First of all, I think our institutions will suffer because we will have not been able to reach an agreement. We do not want that to happen. I have never seen a negotiation go on this long and to this extent or to this level. In the past usually there has been, you know, debate back and forth between the parties, between the bodies of the Congress, and briefly between the White House and the Congress. But never before, in an effort to get the size and scope of Washington under control, has it led to these negotiations at the Presidential and Speaker and majority leader level, for hours upon hours.

But if we do not get this done, I think all involved will pay a price. We will see higher interest rates almost assuredly. I think the head of the Fed, Alan Greenspan, has indicated that would probably be a result. We would see more—more—ever-increasing Washington spending and Washington control.

Probably we would see a falling stock market. Just in the last 36 hours the stock market has tumbled more than 100 points; 67 points yesterday, 36 points this morning. And it was not because of the blizzard of 1996. It was because of their perception that maybe these talks were not going to be agreed to, their concern that we were not going to control the rate of increase of Federal spending, and that we were not going to have tax policies that would lead to economic growth and job creation.