

require taxpayers to add anywhere from 2 percent to a 15-percent surcharge to their income tax bill.

In the Senate, the majority leader declared that nothing should be off the table. I am glad to see that the Speaker of the House of Representatives quickly voiced her disagreement with this tax surcharge proposed by Congressman OBEY. His proposal would amount to an annual tax increase of \$150 billion a year, or three-quarters of a trillion dollars over the next 5 years—a bad idea, in my view.

At the same time, with this chart, I will document some of the proposals that have been made, because it helps to see them in one place and add them up because you only then begin to understand the full impact of these discrete proposals that are being made, all of which would result in increased taxes.

First, the budget that was passed earlier this year, of course, is where the Federal Government says how much it intends to spend and where that money is supposed to come from.

The disturbing thing to me was that it contemplated the spending levels in that budget that passed—without my support, by the way—contemplated an increase of \$916 billion in additional revenue. The problem is, my concern is, frankly, that the revenue they are talking about—in other words, increased tax revenue—would come from not making the tax relief we passed in 2001 and 2003 permanent. In other words, it would result in a huge tax increase if allowed to go into effect without actually having Congress vote on increasing taxes by the mere expiration of those taxes.

Then there are some who say we want to tax the rich and don't worry about it because we are only going to tax the rich. I ask how many times we have heard that before. The alternative minimum tax is the latest example. We know that from roughly 4 million taxpayers who will be hit by this so-called alternative minimum tax this year. According to the Wall Street Journal, that number in 2007 could soar to 23 million Americans, from 4 million to 23 million Americans. In other words, the tendency all too often of the Federal Government is once a tax is created to see that tax expand and grow and to gobble up more and more taxpayers' dollars.

Certainly, that is the case where we see new Government programs created to provide for a larger and larger Government which, of course, has to be paid for, and guess where that money comes from. It comes from the beleaguered American taxpayers.

In a counterintuitive mood, this second provision of \$70 billion, actually rather than tax the rich, what my colleagues on the other side of the aisle who recently voted for this new State children's health insurance expansion of 140 percent over the current program, they have actually targeted a regressive tobacco tax to fund expansion of Washington-run health care.

The President has vetoed the so-called SCHIP bill not because any of us disagree about the core mission of the SCHIP program, which is to provide health coverage for low-income kids, but the fact is that program has been hijacked and used as a Trojan horse to take an additional step, a huge incremental step toward a Washington-run health care system, which I believe is bad for the American people.

Three things one can say about Washington-controlled health care: No. 1 is, free health care isn't free because it is going to have to be paid for by the American people. No. 2, we can say Washington-controlled health care will be inevitably bureaucratic and some bureaucrat will be deciding what kind of health care you get and what kind of health care you don't get. And No. 3, we can be assured the way the Federal Government will control cost, to the extent it can, in this new program will be as a result of rationing and deciding who gets access to care and who does not, and that means more care programs, as we see currently underway in Canada, where people have to wait months and years for the kind of diagnostic care and treatment they get in a matter of days in America.

The third item, \$11.4 billion, my colleagues on the other side of the aisle have proposed a massive increase on energy producers in the United States. We recently had a so-called Energy bill on the floor. The only thing was it didn't produce one drop of additional energy. What we saw happen was a proposal that actually would have increased taxes on domestic energy producers which would have made us more dependent on imported energy, something we have all said is a bad idea. We know it is a bad idea for us to be as dependent as we are on imported energy. So why in the world would we want to raise taxes and increase the burden on domestic producers in a way that would make us more dependent on that imported energy?

We see there are additional proposals about which we have heard: \$6.1 billion in additional taxes on oil produced in the Gulf of Mexico, additional taxes on investing and creating jobs in America by foreign businesses that want to invest in the United States, that we benefit from, that actually creates jobs here, but our friends on the other side of the aisle have proposed an increased tax on that as well. We can see the other proposals that have been made.

This is a disturbing chart, at least to me. When we look at the cost for the average American taxpayer and how many days a week they have to work to pay their Federal taxes, that will invariably go up. Right now, American taxpayers have to work 79 days out of the 365 days in the year to pay Uncle Sam, to pay their taxes. That is more than 1 out of every 5 days of the year, and that is more than the average that taxpayers will spend on food, housing, health care or any other category.

Of course, working parents face challenges every day when it comes to

making sure their children get what they need and deserve in terms of health care and education. So why would Congress continue to increase and add to their burden by increasing taxes?

I ask: Is this how Washington should be working for the American taxpayer? To me the answer is clearly no. We should not force American citizens to work even more days each year for Uncle Sam. I am sad to say, disappointed to say that the tax-and-spend season is indeed upon us in Washington, DC.

Our country faces a number of challenges when it comes to the war on terror, making health care more accessible to more Americans, and making sure we remain competitive in a global economy. But it seems that every day that passes, some spend their time thinking about more ways to raise taxes and grow the size of Government. I wish we would reconsider and not do that.

I yield the floor.

The PRESIDING OFFICER (Mr. TESTER). The Senator from Utah is recognized for 10 minutes.

IRAQ

Mr. BENNETT. Mr. President, last week a group of us, both Senators and Members of the House, Republicans and Democrats, had the opportunity to sit down with Frederick Kagan, who is a fellow at the American Enterprise Institute, and listen to his comments about where we are with respect to Iraq.

At the end of that very illuminating session, he gave us each a copy of a new report that he has authored called "No Middle Way, The Challenge of Exit Strategies from Iraq." The report is too long for me to ask consent that it be printed in the RECORD, but I recommend it to all my colleagues. It is one of the most thorough and thoughtful examinations of where we are in Iraq I have seen. I will be quoting from it, but I wish to make a few observations about the situation in Iraq before I do.

The Iraq debate seems to be mired down in arguments about past decisions and whether they were right. These kinds of arguments are useful, and they are particularly useful in the hands of historians who are reviewing an entire situation from a vantage point of years afterward, but they are not necessarily that valuable as we are addressing the question of what do we do now.

If I can play the historian for a moment and give examples of how we have entered into conflicts and seen the situation on the ground change and, therefore, strategies change, let me go back to the Revolutionary War. At the time of the Revolutionary War, the original strategies the Commander in Chief, George Washington, applied didn't work. Indeed, the Continental Army was defeated again and again and

again by the British troops, and Washington was forced to acknowledge that his original strategic decisions were the wrong ones. This did not mean we lost the war because Washington adjusted to the conditions on the ground, adopted new strategies, and ended up winning the war.

In the Civil War, when Abraham Lincoln made the decision to provision Fort Sumter, he did not understand how long the war would last, how difficult it would be, how much life and treasure it would claim. He was forced to change again and again in reaction to the results that came from the battlefield.

In Iraq, we made some decisions based on intelligence at the time which have proved to be wrong. Spending our time in this Chamber arguing over those decisions instead of recognizing how conditions have changed on the ground becomes a self-defeating exercise.

As I look at the decisions that were made prior to the decision to go into Iraq, the one that strikes me as being the most significant was our failure to understand the degree to which Saddam Hussein had destroyed that country, not just physically, not just in terms of its infrastructure but psychologically.

We believed there were Iraqis who could step forward and lead a resurgence of that country if we simply freed them from the heavy hand of Saddam Hussein. That was a false belief. We found Iraqis so shattered by 37 years of one of the most brutal dictatorships we have ever seen that the leadership vacuum was huge. For us now to spend our time saying, well, we made the mistake, therefore we have to cure the mistake by getting out, is to ignore the conditions on the ground that have evolved as a result of getting into the war in the first place.

Mr. Kagan makes the point that there is no middle way. We are trying to find a middle way in these Chambers. There are those who say the only way is to withdraw immediately, and there are others who say, no, the only way is to stay the course. That phrase has been hackneyed; it doesn't work anymore. So it is natural for many of us to say: Let's find some middle way. Let's stay in there somewhat, but let's eliminate a good portion of the American footprint in Iraq and see if that doesn't help us get out without absolute withdrawal.

Mr. Kagan makes the point that the conditions on the ground rule out such a middle way. I find his arguments persuasive, and I would like to share some of them with my colleagues today.

He looks not at the question of did Saddam Hussein have anything to do with 9/11, a question we hear debated a great deal. He says: Is al-Qaida engaged now in Iraq? The answer is overwhelmingly yes. Whether al-Qaida and Saddam Hussein had any ties prior to our invasion in Iraq is now irrelevant. Al-Qaida is in Iraq. Al-Qaida is a major player in Iraq.

There are those who say Iran is the major threat, and we should be looking at Iran. He points out that Iran is very much involved in Iraq at the present time. These are the conditions on the ground. We are not debating 9/11. We are not debating the U.N. resolutions. We are debating conditions on the ground that very much involve both al-Qaida and Iran. So those are the conditions to which we need to pay attention.

If I may quote from Mr. Kagan's report, he says:

A precipitous American withdrawal from Iraq will likely be portrayed in the region as a defeat for the United States and as a victory for Iran. Arab states are already concerned about the growth in Iranian power and pretensions in the region, but few have the capability to do more than complain. The Saudis and the Gulf states are no match for Iran militarily and would almost certainly seek an accommodation with Tehran rather than allowing themselves to be drawn into a major confrontation.

That is a very interesting thing to contemplate as you look ahead—Iran expanding its power in the region, making some kind of accommodation with the Saudis and the other Gulf States in order to consolidate its power. Is that something America wants to look forward to?

He goes on:

A possible side effect of the U.S. withdrawal is the establishment of Iranian hegemony in the Middle East. Tehran certainly seeks a predominant position in southern Iraq, including Baghdad, and it would be in a position to put great pressure on Saudi Arabia and the Gulf States in the absence of a large American presence in the region following a visible U.S. defeat. That pressure might include efforts to deny the U.S. the use of bases or to support Iranian initiatives in the region and in the nuclear realm. The perception of an American defeat at the hands of Iran is likely to fuel seismic shifts in the politics of the Middle East, none of them to our advantage.

We are having a great debate about what to do about Iran. We are showing great concern about the possibility of Iran getting a nuclear weapon. The new President of France, Mr. Sarkozy, has talked about the unacceptability of Iran having a nuclear weapon, even to the point of suggesting that military options should be on the table. Military options with respect to an Iranian nuclear weapon, if it comes to that, will undoubtedly involve more American troops and more American treasure than are currently at stake in Iraq.

In the conclusion section of Mr. Kagan's report, he says:

It is simply not possible to design a militarily feasible plan to draw down U.S. forces dramatically and on a rapid timeline that still permits the accomplishment of America's vital interests in Iraq and the region. The CNAS report—

The report he discusses in the group that tries to find a middle way—has raised the extremely important question of devising a sound plan for transitioning to an advisory role, and this question deserves a great deal of careful study in the months ahead. But now is the time to start thinking about that transition, not to start implementing it prematurely.

Mr. President, I ask unanimous consent for an additional 2 minutes.

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

Mr. BENNETT. Mr. Kagan concludes:

Any plan that requires a withdrawal based on a timeline, rather than conditions on the ground, is likely to lead to failure. The notion that imposing timelines would somehow force the Iraqi government to "do the right thing" and thereby resolve the problems in the country is always presented without any evidence. It is the logical argument without substantiation that appears to be contradicted by past precedent and by facts on the ground. It is a mirage that some people cling to as a way of convincing themselves and others that an action likely to lead to complete failure in Iraq will instead lead to at least partial success. As the president and Congress deliberate on the best way ahead for the United States and Iraq, therefore, the choices are quite stark. Either the United States can continue its efforts to establish security while improving the capabilities of the ISF or it can abandon those efforts, withdraw, and allow Iraq to sink into chaos where terrorists can flourish.

I urge all Members of the Senate to pay attention to the wisdom of Mr. Kagan's report.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. KYL. Mr. President, I wished to, first of all, echo the comments of my colleague from Utah. Fred Kagan is an expert, and what he had to say in that report and in his subsequent summaries of it is something all our colleagues should be familiar with because he makes the very clear point that, as this mission is working, right now is not the time to change the mission and go back to what it was prior to General Petraeus's arrival on the scene.

Yet we still have Members of this body and the other body trying to undercut the Petraeus plan in one way or another. The most recent effort to do this is one which is especially distressing. Let me give a little bit of background.

First, I wish to note that our Democratic colleagues have not taken very long to reestablish their reputation—well deserved—as the tax-and-spend party, as my colleague from Texas pointed out earlier. Now that the Democratic Party is in control of the Congress, the agenda is very clear. But yesterday, the chairman of the House Appropriations Committee went a step too far because he proposed a new tax on every American. This one, ostensibly, to fund the war.

Now, there are a lot of different excuses for raising taxes, as my colleague from Texas pointed out a while ago, but I don't think we need a new tax. If we did, our Democratic colleagues would not be proposing \$23 billion in more spending than the President proposed in his budget. In other words, if a lack of revenue is the problem, then let us not keep spending more than has been proposed in the budget. The tax-and-spend priorities of the Democratic majority are very clear.

No, the real reason for Chairman OBEY's plan to raise more taxes is to

change our strategy in Iraq, and that is very clear from his own comments. Along with the tax he proposed, in fact, he announced he would not allow his committee to move forward with the bill the President has requested to fund the troops in Iraq.

This is not the Defense authorization or Defense appropriations bill, which funds the Pentagon and all the military activities over the course of next year. No, this is the money for the troops who are fighting right now in Iraq. As I said, the chairman made it very clear that was precisely what he intended. In fact, quoting from a Wall Street Journal article today, he said:

Choosing not to move legislation is our strongest card at this point.

Well, this is not a card game, and you shouldn't be playing with the lives of our troops by cutting off their funding while they are out in the field. If you wish to make a policy point that we should change our strategy in Iraq, change our mission, there are ways to do it without cutting off the funds while the troops are out there trying to perform the mission we have sent them to perform.

I thought the comment of my colleague from New Mexico, Senator DOMENICI, as reported in the Washington Times in a story this morning, was charitable and interesting.

Senator PETE V. DOMENICI, New Mexico Republican, said Mr. OBEY's threat to block war funds was pretty gutsy. But I don't see how it would work. In the end, you have to feed the soldiers.

That is the point. You can cut back Pentagon funding, you can try to pass resolutions that call for a change in strategy, but at the end of the day, you have to feed the soldiers. You can't refuse to send the money to Iraq while the troops are there or you are literally pulling out the rug from under the troops.

My colleague, Senator GRAHAM from South Carolina, put it this way:

The plan to starve the troops of funds would be cheered by America's enemies. This would be a blessing to al-Qaida, which is getting its brains beat out in Iraq.

I remember when Bob Dole ran for the Presidency, and he was trying to make some pretty important points and people didn't appear to be listening to him. At one point, he said: Where is the outrage? And that is the question I ask here. Where is the outrage of pulling the rug out from under our troops while they are in theater trying to do what we have sent them there to do?

This is not just bad policy, it represents a failure to support the troops. Everybody around here says: Well, we all support the troops, we disagree with the policy of being in Iraq. Now we have come to the point where we are going to try to change that policy by not supporting the troops? I don't think this is good policy. I don't think it is fair to the troops whom we have sent into harm's way, and it is consistent, as I said before, with this whole tax-and-spend ideology.

Try to change policy by withdrawing support for the troops but raise taxes on the American taxpayer? It makes no sense at all, unless you put it in the context with where the Democratic leadership has been going now for some time with respect to the Iraq war. Let me go back a little and quote from an article yesterday in the Associated Press.

Hoping the political landscape changes in coming months, Democratic leaders say they will renew their fight when Congress considers the money Bush wants in war funding.

Well, it didn't take long for that to come true. The Associated Press noted:

The difficulty facing Democrats in the Iraq debate: They lack the votes to pass legislation ordering troops home and are divided on whether to cut money for combat.

I might say the Speaker of the House has already announced her opposition to this new tax plan. Democrats are indeed divided. But for those who are in authority to refuse to move the legislation forward, and who talk about it in terms of it is the best card I have to play, have the ability to stop the funding at the very time that the troops need the money in the field.

Progress in Iraq, obviously, has been widely reported. An editorial today in Investors Business Daily says:

The new strategy being implemented by General Petraeus seems to have worked extraordinarily well. Al-Qaida has been backpedaling furiously.

So right at the time the strategy is working, we are going to pull the money out? It makes no sense.

The Washington Post reports today:

The numbers of U.S. soldiers and Iraqi civilians reported killed across the country last month fell to their lowest levels in more than a year, a sharp decrease in violent deaths that American military officials attribute in part to the thousands of additional soldiers who have arrived here this year.

And the New York Times today notes:

The number of violent civilian deaths in Iraq dropped precipitously in September compared with the previous month.

So at a time when the strategy of General Petraeus is working, our friends on the other side of the aisle are deciding to pull the funding so we can no longer continue the operation. That makes no sense at all. But it does fit in with this larger strategy, as I said, to find any way they can to change the course in the war.

Let me conclude with this point. It is now October 3, past the beginning of the fiscal year on October 1, and yet the Democratic majority has not passed one single appropriations bill to the President for his signature to fund the government next year. It appears to me there is a reason for this.

The Associated Press noted the following in an article on September 30:

The most basic job of Congress is to pass the bills that pay the costs of running the government. After criticizing the Republicans for falling down on the job last year, Democrats are now the ones stumbling.

And Roll Call had an editorial 3 days before, and I quote from part of it:

Senate Democrats complain that Republican obstructionism and President Bush's veto threats against nine House-passed bills caused this year's delay. But the arguments don't hold water.

Instead, it appears likely that the Democrats' failure to pass these spending bills is part of the plan designed to create a giant Omnibus appropriations bill which will tie very directly into their tax-and-spend policies.

According to an editorial today in Congressional Quarterly:

Democrats may be planning to use a widely supported veterans' bill as the vehicle for their additional spending. Frustrated veterans' groups are trying to pressure Congress to quickly pass a veterans' and military construction bill and not use it as a vehicle for an omnibus measure.

Now, this wouldn't be the first time this kind of game has been played, but especially if it is on the Veterans and Military Construction bill, or if it is the Defense authorization bill that was held up for so long, and now the measure to try to fund the troops in Iraq, there is a very disturbing pattern here. Playing games with money for veterans and the military in order to get more taxes and spending? That is wrong. It is wrong. The American people need to know that at the very time when General Petraeus's strategy is showing very positive results in Iraq, it is the Democratic plan, at least in the House of Representatives, to hold up that funding, not because there is a lack of money, not because we need a tax increase to fund it but in order to try to change the course of the President's strategy.

That is playing games with the money the troops need in the field. Again, as Senator DOMENICI said, it is a pretty gutsy move, but in the end, it would not work because you have to feed the soldiers.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. Mr. President, how much time remains on the Democratic side?

The PRESIDING OFFICER. Nine minutes.

Mr. DURBIN. Nine minutes.

Mr. President, I yield whatever time the Senator from Massachusetts would like.

The PRESIDING OFFICER. The Senator from Massachusetts.

CHIP VETO

Mr. KENNEDY. Mr. President, a few minutes ago the President of the United States vetoed the children's health insurance legislation that has reflected the bipartisan support of the Members of the House of Representatives and the Senate and which has the support of children, families, and Americans all over.

How could the President of the United States possibly veto this legislation? How could the President be so misinformed about the needs of these children? I think this is probably the most inexplicable veto in the history of