

have been questioned in a report prepared at Government expense and released, in a manner which suggested it carried the authority of the Department of Defense, to a select group of corporations who were advised to be cautious about employees with strong ethnic ties to Israel.

When I learned of this memorandum in January, I spoke to Under Secretary of Defense John White to say that we need to have an affirmative statement of what the policy of the Department of Defense is. Which is to say that Israel is most assuredly not a nontraditional adversary and that defense contractors are in no way to consider ethnic origins in their employment practices. I subsequently met with Michael Waguespack, Director of the National Counterintelligence Center, and with John F. Donnelly, then the Director of the Defense Investigative Service. Both appreciated the implications and lessons of this incident. One hopes that no group of Americans, and no foreign country, ever has to endure similar allegations.●

#### SALUTE TO TENNESSEE'S BICENTENNIAL

● Mr. FRIST. Mr. President, I rise today in recognition and celebration of Tennessee's 200th birthday. Two hundred years ago, when Tennessee's statehood was in its infancy, pioneers and frontiersmen banded together to forge a new future for the Southwest Territory. Though the road to statehood was filled with many obstacles, including land disputes with North Carolina and Presidential politics that held the territory's petition hostage, the spirit of Tennessee's founding fathers prevailed. On July 1, 1796—months after our forefathers called a convention and drafted a State constitution—President George Washington signed a bill into law and Tennessee became the 16th State in the Union.

With a chain of mountains separating them from their eastern neighbors and a vast wilderness to their west, Tennessee's new citizens continued to rely on their frontier skills. It was that pioneer determination that laid the rock-solid foundation for growth and prosperity in the State of Tennessee. It wasn't long before the population grew. Settlers from Virginia, North Carolina, South Carolina, and Pennsylvania quickly moved in—first to mountainous east Tennessee and then went to the hills of middle Tennessee and on to the banks of the Mississippi. Today, Tennessee's population is as rich and diverse as our native soil and our three grand regional divisions.

In the last 200 years, Tennesseans have become President and Vice President of the United States; they have fought—sometimes brother against brother—in bloody battles in the War Between the States and have given their lives on foreign soil in World Wars; they have toiled in hot fields and on hot city streets; they have founded

some of the finest colleges and universities around; they have built music and entertainment industries; and they have helped develop the technology that will advance Tennessee into its third successful century. And Mr. President, they have all—in one way or another—contributed to the fortune of our State and Nation.

Mr. President, as Tennessee looks back proudly on the accomplishments of its first 200 years, let us also recognize the bright future that lies ahead for my home state. The volunteers of Tennessee are no longer living on the frontier, but their pioneering minds and spirits continue to drive them toward success. So Mr. President, I rise today to celebrate with my fellow Tennesseans as we all look forward to the prosperous growth and bountiful success that the next 200 years of Tennessee history will behold.●

#### THE SILLY SEASON

● Mr. SIMON. Mr. President, I felt like cheering as I read Tom Friedman's column in the New York Times on the gasoline tax, which I ask to be printed in the RECORD after my remarks.

Frankly, no tax cut makes any sense when we are still running a huge deficit. Tax cuts are pandering at their worst.

But of all the tax cuts the one that makes the least sense is the 4.3-cent-a-gallon cut in the gas tax.

Even our neighbors in Canada, who have much greater distances to cover with a sparser population, have a gasoline tax roughly double our gasoline tax.

No country outside Saudi Arabia has a gas tax lower than ours.

We illustrate over and over again the need for doing what Thomas Jefferson first suggested—having a constitutional amendment to restrict Government borrowing.

For most of the first two centuries of our country's existence that was not a huge problem, but we are so motivated by polls and gimmicks that we are doing a great disservice to our country.

If President Clinton had stood up and said this is wrong, he would have picked up support both in conservative circles as well as generally.

It is interesting that after we had passed the 4.3-cent-a-gallon tax increase, I did not have a single person among the 12 million people in Illinois object to that tax increase.

I talked to a western Senator where you might expect greater sensitivity, and he told me he had the same experience.

The article follows:

[From the New York Times]

THE SILLY SEASON

(By Thomas L. Friedman)

WASHINGTON.—I have a confession to make: Even before the old Bob Dole became the new Bob Dole, our family station wagon wasn't exactly plastered with his bumper stickers. But last week I returned from an overseas trip to find that Mr. Dole was proposing to

repeal the 4.3-cent-a-gallon gasoline tax, and I've changed my mind about the old guy. Yes, sir, scrapping the gasoline tax. That's the sort of leadership America needs; that's the sort of spirit of sacrifice the country's been missing: a President who's ready to sacrifice the budget, to sacrifice the environment, to sacrifice energy conservation, to sacrifice oil reserves in order to save the American people 4.3 cents a gallon. And when Mr. Dole's sidekick Dick Armey, the House majority leader, suggested that we consider cutting the education budget to make up for the lost gas-tax revenue, well, then and there I knew I was a Dole man. I mean, cutting education to save Americans a few pennies a gallon at a time when their gas is already the cheapest in the world—that's the kind of thinking that will keep us the world's most competitive nation in the 21st century. I sure hope the Japanese don't get that idea.

Are we out of our minds? Raising the gas tax has been one of the few smart things we've done in recent years. It promotes energy conservation, it helps protect the air, it encourages development of alternative energies, it promotes national security by reducing U.S. dependence on foreign oil supplies—and it reduces the budget deficit. That 4.3-cent-a-gallon tax raises \$5 billion a year. It is one of the reasons the deficit has been cut in half since 1993.

Any proposal to repeal the gas tax should be hooted out of Congress with scorn. Unfortunately, that's not what President Clinton did. Instead he's trying to trade his support for this idiotic gas-tax repeal for a Republican endorsement of his proposal to raise the minimum wage—the worst sort of election-year poker. Mr. Clinton is saying to Mr. Dole: "I see your foolishness and I raise you one."

It is hard to believe that the Dole proposal for repeal of the gas tax is effective even as political pandering. How many people are really going to change their votes from Clinton to Dole over 4.3 cents a gallon? Moreover, how can Republicans argue that a balanced budget and deficit reduction are the two most urgent priorities in American politics and then, when gas prices go up a bit due to seasonal factors, simply discard the gas tax without regard for the long-term budget implications? "It only makes sense politically if it is part of a broader Dole strategy for lowering taxes," says Bill Kristol, editor of the conservative Weekly Standard. And then for Mr. Armey to even hint that we might pay for this giveaway by cutting education—that takes your breath away. For a cheap political high with the shelf life of a dead fish, a House Republican leader is ready to cut \$5 billion a year from education? How could such a thought even cross Mr. Armey's mind? Forget about what a Dole Presidency would be like; if this keeps up I'm not sure we can afford a Dole candidacy.

The truth is we shouldn't be lowering our gas taxes. We should be raising them. Gasoline is probably the best bargain commodity in the U.S. marketplace. The latest blip aside, the real price of gasoline in the U.S. has been falling for 15 years (and if the Iraqi oil sanctions are eased by the U.N. soon, gas prices in the U.S. will likely resume that downward trend). In France and Italy, gas goes for \$4.50 a gallon; in Japan it costs \$3.75. Most of the difference between their prices and ours is taxes that those Governments use to finance public services. We could put a 50-cent-a-gallon tax on U.S. gasoline, get rid of the deficit and still have a huge competitive edge over the Europeans and Japanese. "This is one of the easiest and most attractive ways of raising tax revenue, and we're just giving it away," says the oil economist Vahan Zanoian, of the Petroleum Finance Company.