and I would say across the country, makes in the range of $40,000, often with both parents working, and after they pay their direct taxes and their cost of Government and their share of higher interest rates because of the huge national debt, because we have not had balanced budgets, they have barely half of their paychecks left to provide for their families. If the Founding Fathers were here today and discovered that Government in America had come to the point that it was taking over half the wealth of our workers away from them, they would be stunned. And I think they would be angered.

What this boils down to is that we are taking about $8,000 a year out of every average family's checking account, and we are making it very difficult for them to provide their fundamental responsibilities, which are getting the country up in the morning and raising it and getting it ready for stewardship. They can barely get that done because of Government policy removing those resources. This legislation goes in the right direction. It does not go as far as it should, I agree with the Senator from Minnesota, but it goes in the right direction. It equates to a refund of that last tax increase of about a third of it. We tried to refund all of it last year, but the President vetoed that. So he has now agreed to refunding about a third of it, and that is good policy. I am very hopeful that the White House will not politicize, ''partisanize,'' seek political gain and advantage over this policy for which so many on both sides of the aisle have come to agree in the Congress.

This is the right thing to do for America, and this is the time to do it.

The PRESIDING OFFICER (Mr. SMITH of Oregon). The Senator from Kentucky.

APPOINTMENT OF INDEPENDENT COUNSEL

Mr. MCCONNELL. Mr. President, I have never professed to be clairvoyant, but I was able to predict 8 months ago and subsequently authored an op-ed piece to this effect: that obfuscation and diversion would be the damage control strategy of the Clinton White House and its allies in Congress. They would be engaged in that kind of activity, Mr. President, in seeking to avoid the fallout from the Clinton campaign-DNC fundraising malfeasance in the last election.

This damage control strategy was to be expected from this White House, as wave upon wave of scandal has lapped up on the White House lawn these past 4 years. President Clinton's aides have become highly skilled at putting out press fires, lest, of course, the President be singed. I had hoped for better from Democrats here in the Congress embarrassed—I should hope mortified—by the evidence and admission of illegal conduct by the Clinton campaign-DNC fundraisers.

I thought my Democratic colleagues would step up to the plate, seek the truth and let the chips fall where they may.

A disappointing spectacle it has been to witness this collusion in a disingenuous effort to blur the truth, smear the innocent and protect the guilty, by saying everyone does it, and even trying to drag innocent private citizens before the committee.

We are all victims of the system, they say. What we need, they say, is campaign finance reform. Well, in fact, Mr. President, what we need is an independent counsel. That has been clear for a number of months—an independent counsel to remove the investigation from an obviously politicized Justice Department.

Bearing in mind the Attorney General's indefensible refusal to appoint an independent counsel, and the Justice Department's outrageous conduct in the past few weeks in which it has injected itself into partisan maneuvering regarding the granting of immunity for low-level but key witnesses, the inexplicable and entirely inappropriate action by a Justice Department political appointee to distance the administration from United States intelligence agency findings that the Chinese Government plotted to influence United States elections, Mr. President, there is simply no other recourse to ascertain the truth in a nonpartisan manner but to appoint an independent counsel.

That is why this law was passed some 25 years ago, for precisely these kinds of situations, in which you had a highly political investigation affecting covered employees—for example, the President or the Vice President—where it could be suspected that the Attorney General would be reluctant to pursue alleged claims of wrongdoing.

This episode over the last few months is precisely the fact situation which brought about and argued for the passage of the independent counsel statute.

Now, Mr. President, the truth is going to come out sooner or later. No one here should want to be seen in a position of trying to keep the truth from coming to the public. So the point I would like to make this morning very briefly once again, the Attorney General would appoint an independent counsel to investigate the fundraising abuses of the 1996 election, the violations of existing law that may have occurred—contributions from foreigners, money laundering, raising money on Federal property, all violations of existing law. The Attorney General of the United States is responsible for enforcing existing law, and in situations such as this when a clear conflict of interest is apparent, there is no other logical recourse other than the appointment of an independent counsel.

I call upon the Attorney General one more time, Mr. President, to appoint an independent counsel to complete this investigation.

Mr. COVERDELL. Mr. President, how much time is remaining on our side?

The PRESIDING OFFICER. The Senator from Wyoming, Senator THOMAS, has the time until 11 o'clock.

Mr. COVERDELL. Mr. President, I yield the floor in deference to the Senator from Wyoming.

The PRESIDING OFFICER. The Senator from Wyoming is recognized.

TWO IMPORTANT ISSUES FACING CONGRESS

Mr. THOMAS. Mr. President, I intend between now and 11 to be joined by several of my colleagues to talk about, I think, two of the issues the Senator from Georgia has talked about. One of them that is most important for us, tax relief—I appreciate his comments. The other currently is the hearings that are being held with respect to the illegal contributions for campaigns. These, I think, at least at the moment, are two of the most important issues that face the Congress, two of the most important issues, obviously, that face the American people.

TAX RELIEF

First, in terms of tax relief, which has been talked about, it just seems to me that we have the opportunity for the first time in 16 years to have meaningful tax relief for Americans who are the ones who pay the taxes that support the Government. That is fairly simple. That is a fairly simple concept. And I wish, frankly, we could make it a little more simple. Obviously, in this place whenever there are issues, the technique is to make them as difficult as possible, to make them as detailed as possible, to make them kind of hard to identify. This one really isn't very hard to identify. The issue here is between having more Government and more revenue and more spending as opposed to the idea of seeking to reduce the size of Government, to reduce the spending, to reduce the burden on the taxpayers. And those things do go together.

We talk a lot, importantly, about the idea of balancing the budget. But I think we have to keep in mind you can balance the budget in a couple of ways. One of them is to have the highest tax increase in the history of the world and continue to grow in spending. The other is to seek to reduce spending, to seek to involve the States, to seek to return more government to local government and, therefore, reduce the size of government and the demands on taxpayers. Frankly, I think that is what we have tried to do in the last couple of years. I am very proud of the record of the Congress in the last 2 or 3 years, simply because we have changed the debate 180 degrees.

Three years ago we were talking about not how to reduce spending, not how to balance the budget, but simply, what new programs do we need? What do we need to do to continue spending? We were talking, then, about increasing taxes and did, in fact, increase

taxes—the largest that has ever been done. Now we are talking about how do you reduce the size of Government. There is no debate about balancing the budget. It is just, how do you do it? When do you do it? That is a complete turnaround. That is a complete change. We are talking, now, more about how do you block-grant to the States so they can make the decisions as to how best spend the money that goes there. Surely, the concept of the closer to the people served that government is, the more effective it will be, is correct—is correct.

So I am very delighted that we have turned that thing around. Even though we continue to hassle, even though there will continue, always, to be debate about it, because, frankly, there is a legitimate difference of point of view. There are those who believe more Government is better. That is a legitimate point of view. It is not one that I subscribe to and I think, fortunately, not one that is subscribed to by the majority of the Members of Congress, but it is a legitimate viewpoint and it will continue to be argued—and it should be.

ILLEGAL CAMPAIGN CONTRIBUTIONS

The other thing, it seems to me, that is very important currently is the debate that goes on about illegal campaign contributions. Here again, it seems to me when you are out in Wyoming and you are listening to the TV or you listen to radio, you kind of get the notion that the whole thing is about campaign finance reform. In the broad sense, it is. But the fact is, there is a difference between reforming campaign finances on the one hand and talking about illegal contributions on the other. Those are two different things.

I think the Congress has a responsibility to have oversight hearings. The Congress has a responsibility to look into allegations of illegal contributions, and that is what the Thompson committee is primarily assigned to do. There is a difficulty in doing it, as we have seen take place here.

The idea of having the Justice Department involved makes it more difficult. Their unwillingness to give immunity to witnesses to testify so you can arrive at the facts has been a completely difficult issue. And I understand. One reason for the idea of the Congress doing this oversight is that, obviously, agencies have allegiance to the people who have appointed them and they become very edgy when you get into this whole wilderness of allegations of wrongdoing on the part of people who are affiliated to the people you work for. I understand that. That is the reason for having Congress do it. That is the reason for having independent counsels do it. As the Senator from Kentucky a few moments ago mentioned, it is clear there is a reluctance on the part of Justice to get into what they perceive to be a political kind of activity.

That is their task. The way they do it is to appoint an independent counsel. For some reason, the Attorney General has refused to do that. So what we are talking about, then, is having a hearing in which the truth about those allegations can be determined. I think that is, indeed, a responsibility of the Congress. It is something that we ought to be responsible to the American people to do, and I am delighted that it is happening. I only wish that it were less inhibited. I wish there were less constraints being imposed by the minority in this particular committee, less constraints being imposed by the Justice Department. We ought to know what the truth is, in these instances.

I happen to be chairman of the subcommittee on Asia and the Pacific rim. Yesterday, we had a hearing for the nomination of the Assistant Secretary for the Asia-Pacific area, which we need very much, and a very learned person has been nominated whom I am sure we will support. But just to give you some idea of the involvement there, with regard to this investigation, of course the activities with respect to China influencing elections, foreign policy, has been talked about. President Clinton has said:

> [I]t would be a very serious matter for the United States if any country were to attempt to funnel funds into one of our political parties for any reason whatsoever.

Likewise, the Secretary of State said that, if true, the allegations that China had launched a major effort to illegally influence United States elections ''would be quite serious.''

I asked that question yesterday of the Secretary: Do you agree? And, of course, he said yes. The follow-up question, then, was both Republican and Democrat members of the Governmental Affairs Committee agree that there was Chinese involvement and a plan to move money into congressional elections.

So I asked, I think quite legitimately, what is the plan, then? How does this affect our foreign policy with respect to China? And the answer was, well, we just don't know whether these are true. We don't know whether that's there. We haven't made any accommodation, which only leads me to believe that it is even more important for this committee to arrive at what the facts really are. If these allegations are true, what will it do to our policy? It ought to have some impact on policy, certainly. But, yet, the response from the administration is, well, we just don't know.

We don't know either, but we ought to find out. And that is what the system is about. That is what the hearings are about. That is why there is such concern about the obstacles placed in the way of the committee by the Justice Department, by the Attorney General, by the administration—frankly, by our friends on the other side of the aisle, as to how we come to those decisions.

So, I think we are involved in a very serious issue here. It is serious because it has to do with process. It has to do with the obligations of the Congress to determine if, in fact, in this case, there were illegal activities carried on. That's our job.

Mr. President, I now am joined on the floor by the Senator from Arizona. I am very pleased to yield 10 minutes to the Senator from Arizona.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. KYL. Mr. President, I thank my colleague from Wyoming for obtaining time this morning to speak on this important issue.

PRIVILEGE OF THE FLOOR

Mr. KYL. Mr. President, I would like to begin by asking unanimous consent that a staff member of mine, an intern, Kristine Kirchner, be granted the privilege of the floor during my presentation.

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

TIME TO APPOINT AN INDEPENDENT COUNSEL

Mr. KYL. Mr. President, the confidence of the American people in the American political system, in our Government here in Washington has been eroding in recent months, a subject that numerous pollsters and pundits have been writing about. One of the reasons that I believe this exists is that they believe people in high places can get away with things and they are, in effect, above the law, unlike the average American citizen, and that neither the Congress nor the administration has the ability, under that circumstance, to adequately track down perpetrators of crimes and pursue them to appropriate conclusion.

One of the aspects of this that is most troubling to me right now has to do with the Justice Department's purported investigation of people and events surrounding various contributions, allegedly illegal contributions, to the Democratic National Committee, to the Presidential and Vice Presidential campaigns. Attorney General Reno has, after numerous requests, steadfastly refused to appoint an independent counsel to look into these matters, and I had literally hundreds of requests from constituents to make the point to Attorney General Reno that they think this is wrong, or questions asked by constituents as to how this could be when there is such an obvious conflict of interest, at least to the average American citizen.

As a member of the Judiciary Committee, I joined in an effort with other members of the committee to follow a statutory procedure of writing to the Attorney General, asking her to either appoint an independent counsel or explain to us the reasons why she could not do so. She refused to make the appointment and gave her reasons. At the time, I thought they were relatively unconvincing. But since that time, irrespective of whether it has been appropriate up to now, Mr. President, a