will continue with the debate for which we will get unanimous consent in a moment. I encourage our colleagues to participate and to stay for this debate for which we will propound a unanimous consent request at this juncture.

Again, we will have no more rollcall votes tonight. We will have two cloture votes at 10:30 tomorrow morning.

MORNING BUSINESS

The PRESIDING OFFICER. The Senator from Arizona.

Mr. KYL. Mr. President, I ask unanimous consent that there now be a period for morning business for up to 65 minutes, with the time divided as follows:

Senators DORGAN and KYL be recognized first in this order for up to 1 minute each; the next 20 minutes be divided with the Democratic side in control of the first 5 minutes, to be followed by 5 minutes under the control of the Republican side, to be followed by an additional 5 minutes for the Republican side, with the final 5 minutes under Democratic control.

I further ask unanimous consent that the next period of time be divided, as follows:

Each side be permitted to ask up to four questions for up to 1 minute each in an alternating fashion, to be followed by a response of up to 2 minutes to be controlled by the other side of the aisle; to be followed by an additional minute by the first side, with the Republicans to ask the first question.

I further ask unanimous consent that the next 8 minutes be allotted in 2-minute segments alternating with the Democrats first and the Republicans concluding; further, that Senator DORGAN then be recognized to speak for up to 1 minute, to be followed by Senator KYL for the final minute; that upon the yielding of the floor, any debate time remaining during that period of controlled time be yielded back.

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

Mr. KYL. Mr. President, let me announce to my colleagues that this is the second in a series of scheduled debates between the Republican and Democratic sides of the Senate on subjects of importance to the American people to be conducted in actual debate format. Rather than the usual situation where we speak to an empty Chamber or talk across each other, we have actually set up a debate in which two Republicans and two Democrats will tackle a subject of interest today and respond to each other and engage in debate the way it was originally intended by our Founders and by the people who set up the rules of the Senate.

All of the speakers will go through the Chair, but they will be addressing this subject in prepared remarks and then in rebuttal and response to each other. Senator DORGAN and I, who chair our respective policy committees, hope we can thus establish a precedent in this body that at least once a month we will pick a topic and engage in debates the way it was intended to be. We hope both our colleagues and the American people will be edified by this process, not to mention the other Senators in the body.

The PRESIDING OFFICER. The Senator has used 1 minute. The Senator from North Dakota.

Mr. DORGAN. Mr. President, before we begin, let me say to my colleague from Arizona that I think this is a good idea. We will engage now for the second time today in a debate about a specific topic. We will do it for 1 hour talking about something that is very important to the country. In this circumstance, it is going to be jobs and economic policies that create jobs.

This Senate is considered the greatest deliberative body in the world and, from time to time, people might tune in and wonder whether that description best suits the Senate these days. I think it does, however.

There are some extraordinary men and women who serve in this body, very capable of debating the issues. So Senator KYL and myself, as chairmen of the respective policy committees, have decided to establish this 1-hour debate on important issues. I am going to participate in the debate on our side at this time, and I believe Senator KYL will participate in a future debate.

The PRESIDING OFFICER. The Senator has spoken for 1 minute.

Mr. DORGAN. Mr. President, I look forward to this debate.

The PRESIDING OFFICER. The Democrats now have 5 minutes. The Senator from Iowa is recognized.

JOBS AND THE ECONOMY

Mr. HARKIN. Mr. President, again I join Senator DORGAN and my colleagues on the other side in saying how pleased we are to be here this evening to continue this process of having legitimate debates on the Senate floor regarding topics of importance to the American people.

Tonight we will be talking about jobs and the economy. In my 5-minute opening statement, I am prepared to show that Democratic economic policies are superior to Republican economic policies as it benefits the American public.

How are Democratic policies better? Simply because we create more and better jobs.

We create a better standard of living and quality of life for the majority of Americans who are working. We do this through worker and consumer protections, equal opportunity for women and minorities with basic measures such as the Family and Medical Leave Act, all historic steps led by Democrats, with Republicans either trailing or opposing outright.

Now, another example: The last Democratic administration and our economic plan, embodied in the 1993 budget, set us on a course of adding 6.4 million jobs in just 2 years. We eroded the annual deficits and eventually created the actual largest projected Federal budget surpluses in history. Every Republican in the Congress voted against that budget in 1993, with dire warnings about its effect.

We invested in people and family. We balanced the budget and we set the conditions for the most successful economic recovery and expansion ever in the history of the United States. Our friends on the other side cannot match our record on jobs, and I point to this chart I have. If we look at the average monthly change in jobs, Democratic versus Republican Presidents, jobs gained or lost per month, going clear back to Lyndon Johnson, we can see that under Johnson, Carter, and Clinton, we had tremendous job growth. Under Nixon, Reagan, Ford, and Bush 1, we had job growth but not as much as under Democrats.

If we look to the far right, we will see some devastating things that have happened since this President took office, not a job growth but an actual job loss, my point being that under Democrats we build better jobs and more jobs.

In 3 years, this administration has lost 3 million private sector jobs and their budget and tax policies have contributed to the largest and actual budget deficits in the history of the country.

The last quarter showed some improvement in our economy, and that is good, but it is not nearly enough. This administration will be the first since Herbert Hoover's to preside over a net loss of jobs over a 4-year period. We need to be creating about 150,000 jobs a month just to stay even. We are not doing that today. We are not even treading water in terms of job creation.

If my colleagues think the economy is tough now, look at the economic future the Republicans are creating. This administration turned a projected 10-year, $5.7 trillion surplus into a $4 trillion deficit over the coming 10 years. That debt imperils Social Security and Medicare, which might not bother some of my friends on that side who would like to privatize Social Security or Medicare or end it as we know it. That debt hurts our economy, it crowds our private sector investments we need for economic growth. It makes it difficult for us to make the investments in education, health, schools, roads, and our infrastructure.

For the long term, the Federal Government will have to borrow $400 billion a year, squeezing out private sector investment we need for a growing economy. The law of supply and demand which cannot be repealed means that borrowing will make investment dollars scarce and interest rates higher. Higher interest rates in the future will limit growth and limit jobs.

Now, instead of massive tax cuts that benefit the wealthiest, the answer should have been our approach: Fiscal responsibility, tax cuts targeted to low- and middle-income working families, and good job-creating, direct investments such as building roads and

schools, our economic infrastructure. That should be the path we should be on.

The PRESIDING OFFICER. The Republicans are recognized for 5 minutes.

Mr. ALLEN. Mr. President, I thank my colleagues for joining with us in this debate on the most important issue we have facing us in the Senate and in our country. That is: How can we work to make sure we have the best policies for more investment and more job creation?

The reality is, right now things are getting better. They need to get better, though, than they are currently. Nevertheless, the facts are clear. Job growth is up by 126,000 in October. When my colleagues talk about the last 20 years, last month we had an annual growth rate of 7.2 percent. That is the best in 20 years.

The Republicans' point of view, I would say to my colleagues, is that we want to make sure every American, regardless of their race, their gender, their ethnicity, or their religious beliefs, has the opportunity to compete and succeed. That means our tax policies have to be conducive to investment. Regulations need to be based on sound science, not political science.

We also need to make sure the people of our country, in our States, have the capabilities and the knowledge to get the good jobs in the future. We also need to have security. When we see people in communities worried about crime or worried about terrorism, those are adverse impacts, on confidence and investment and therefore job creation. We have seen the adverse impacts of 9/11, particularly in the travel and tourism industry.

I know as Governor of the Commonwealth of Virginia what matters to businesses when they are looking to invest. They look at what is the cost of doing business, what is the tax rate, what is the cost of workers compensation. Ours are low in Virginia because we keep lawyers out of workers compensation. We get the money to the person who is injured so he or she can get back to work. Unemployment insurance taxes matter. The fact that we have a right to work law, which gives individuals the right, if they so desire, not to join a union as a condition of work, that helps attract business. Health insurance matters as well.

In a variety of areas, we have found Virginia ended up with much more job growth, more investment. It was called the Silicon Dominion because of the investment, because of having taxes competitively low, prompt permitting, reasonable regulations, and also investment in security and also in the capabilities of our students for high academic standards.

The Democrats talk about all of these Presidents. Interesting. Richard Nixon was elected after President Johnson. If one wants to call Jimmy Carter their second best President, with the malaise and the high interest rates, the high unemployment, and the high inflation. People put in Ronald Reagan to help revive this economy and make us stronger as well as, of course, keep our peace through strength.

I find it interesting my good friend from Iowa talks about, oh, the Republicans somehow want to imperil Social Security and gets off on these tangents on privatization. Of course the Democrats care about Social Security because in 1993 they not only taxed all families and all small businesses and every taxpayer, they even taxed Social Security benefits. When given the opportunity most recently on a measure introduced by Senator BUNNING of the Commonwealth of Kentucky, virtually every Democrat voted against that effort to repeal the tax on Social Security benefits.

The fact is, we are making good progress. We need to keep moving forward. We have ideas, as Republicans, in a variety of ways that we can make sure the American economy can compete internationally, can help create more jobs and greater opportunity. Indeed, we want to make health care costs more affordable and predictable, reduce the burden of lawsuits on our economy, whether it is asbestos reform or class action reform, make sure we have an affordable, reliable energy supply, streamline regulations, open new markets for American products, and also make sure there is confidence in investment in this country by making sure the tax reductions are permanent.

I will close with the words of Mr. Jefferson who said that the Government should restrain men from injuring one another but otherwise leave them free to regulate their own pursuits of industry and improvement and shall not take from the mouths of labor the bread they have earned.

That remains the sum of good government today.

The PRESIDING OFFICER. A Democrat is recognized.

Mr. DORGAN. Mr. President, I am not someone who believes Democrats are all right and the Republicans are all wrong. I believe both political parties contribute to this process.

We do not have to debate theory today about jobs. Let's just debate what we know. Here is what we know. In the 8 years under the Presidency of President Clinton, 237,000 jobs a month were created. Since President Bush took over, we have lost 70,000 jobs a month. There were 22.7 million jobs created during the 8 years of the Clinton administration; since President Bush took office, 2.3 million jobs lost. On June 7, 2002, the White House said: The tax cut will help create 800,000 new jobs by the end of 2002. In fact, we lost 1.9 million jobs during that period.

Finally, take a look at the red line, and my colleagues will see where these jobs have gone, and my colleagues will see the improvement about which my colleague just talked. They said, gosh, things are turning around. Here is the improvement; right here. All of us want good jobs in this country. They come with three things in my judgment: Fiscal policy that is responsible—no, not $500 billion deficits, which this administration is proposing and running up but fiscal policy that is responsible, trade policies that are fair to this country, to its businesses and workers, and especially as a result of good policies in both of those areas, confidence the American people would have in the future.

In 1993, we put a new economic plan in place by one vote in the House, one vote in the Senate, and we didn't get one vote for it on that side of the aisle—not one, not even by accident. As a result: 22.7 million jobs. On your side of the aisle they predicted catastrophe—the economy is going to be in terrible trouble. We had the strongest growth of any President, 22.7 million jobs.

Let me talk for just a moment about trade. We now have a trade ambassador trying to negotiate trade agreements in every part of the world. Let me talk just a moment about Huffy bicycles. Mr. President, 850 people in Ohio lost their jobs. They used to put American flags on the front of Huffy bicycles. They replaced that with a globe because they now make them in China. Why? Because the folks in Ohio who make them—who got fired, by the way—were making too much money, $11 an hour. So Huffy bicycles are now made in China for 33 cents an hour and sold at Wal-Mart, Target, and Sears. But they are not cheaper because they pay 33 cents an hour; it is just that Americans lost their jobs. Our trade policy is bankrupt, and we have a trade ambassador right now trying to do three more free trade agreements, more of the same. If you want good jobs in this country, then you have to stand up for American interests. You have to have a fiscal policy that adds up. This administration's doesn't. We are running the biggest deficits in history.

You have to have a trade policy that stands for this country's interest, and this trade policy doesn't. We have the highest trade deficits in history, and we have jobs moving wholesale overseas, where you can hire 12-year-old kids, work them 12 hours a day, and pay them 12 cents an hour, and that simply is not fair.

As a result of trade and fiscal policies that do not add up, the American people do not have the confidence in the future they ought to have. Confidence, after all, is what relates to the expansion side of the business cycle. When people are confident about the future, they buy a home; they take a trip; they buy a car; they do the things that expand the economy. When they are not confident, they do exactly the opposite.

We need to get to work and fix this country's fiscal policy, fix this country's trade policies, and not just go back right over the same old recipe about regulation and taxes and all those sorts of things. We know what

creates jobs. We don't have to describe theory here. We can talk about the facts.

The facts are we put in place a plan in 1993 that created 22.7 million jobs because it said to the American people we are serious about fiscal responsibility. It said to the American people we are going to stop this sea of red ink, and we did. It was a hard vote, but it was the right vote. I have always been proud of it.

Now we have a sea of red ink, the largest budget surplus in this country's history when President Bush took office has been turned to the largest budget deficit in our history, and that is not going to breed confidence for the American people about the future. We need to put this country's economic house in order, and we need to do it soon.

Fiscal policy and trade policy that represents the long-term interests of the American people will represent expansion and jobs and opportunity once again for our country.

The PRESIDING OFFICER. Who seeks recognition on the Republican side? The Senator from Minnesota is recognized.

Mr. COLEMAN. Mr. President, before I arrived here, I read many times about the Senate as the ''world's greatest deliberative body.'' Over my first 10 months, I would say that I have not experienced as much deliberating as I'd hoped. And I am glad my colleague, Senator ALLEN and I are doing this today—and that we are doing it deliberately.

The subjects of jobs and the economy are very personal and important to every American family. With the lone exception of maintaining national security at home and abroad, we have no greater responsibility as a government. I note to my colleague from North Dakota that, by the way, consumer spending is up 6.6 percent in the last quarter. Confidence is up. It must tell you something about the way the American people are thinking.

I want to begin by making a general observation. It seems to me that as a country we are awakening to a set of stark realities after what I'd call a decade of unrealism in the 1990s.

In the 1990s we came to believe that somehow we had conquered the business cycle—that we had ended the age old rise and inevitable fall of economic activity.

In the 1990s we came to believe that we are safe behind our borders from the violence and chaos that is a daily reality of many in the world because of the scourge of terrorism.

We have had a rude awakening. The speculative bubble of dot com industries burst. Revenues generated by our highly progressive tax system fell rapidly at the national and State level. We were attacked, at the very symbol of our commercial strength. How can you talk about job loss without once mentioning 9/11? Every conceivable threat to the confidence of the American people was leveled at us. But like the residents of the Massachusetts countryside in 1775, when Paul Revere rode by, we were awakened, and we are fighting a difficult war to restore our safety and our prosperity.

On Minnesota's Lake Superior; huge ore boats ply the world's largest body of fresh water. It literally takes miles and hours to turn around one of their massive boats. So it is with the American economy. The bigger the object, the longer it takes to turn. As we look at the American economy, we need to recognize a few critical facts.

First, the economic difficulty we are in began in 2000, the year before President Bush took office. In March 2000, the NASDAQ lost 44 percent of its value. In the year before the President took office, economic growth in this country fell from 3.9 percent to .9 percent.

Second, we have not repealed the laws of economics. The aftermath of a long expansion and a speculative economic bubble is recession, a slow recovery and large Government deficits. Even it its peak, our unemployment rate is substantially below that of previous recessions. In 1983 unemployment was over 10 percent and in 1992 it was almost 8 percent. And the difference between 6 percent and 8 percent or 10 percent represents millions of families back at work.

And third, the economy is now moving forward. The American economy has been bent, but it did not break.

Historic growth in the GDP—a growth rate of 7.2 percent—is nothing to scoff at. Yet, my Democratic colleagues seem to be able to find gloom and doom even during the brightest days.

We've added 225,000 new jobs in the last 2 months. A jobless recovery? I think not. Job growth is still a challenge, but a we have always seen, employment gains are the lagging feature of recovery.

I have not been the White House as often as some of my colleagues. But as far as I know there is not a brake pedal or a throttle for the economy under the president's desk.

But the President has done good work with the tools at his disposal. Federal Reserve Chairman Alan Greenspan has lauded the 2001 tax cut, which the Treasury Department has reported saved some 1.5 million jobs. The most recent tax cuts for both mom's and dad's and small businesses have been key to the 7.2 percent growth in GDP in the last quarter.

More than a generation ago there was Nobel Prize winning economic research done at the University of Minnesota. It seems obvious to us now, but the point of that research was that raw numbers and events are not the only thing that moves the economy. An equal or greater affect is the way people perceive what is happening.

At this point, I am forced to point out there is a drag on the economy from nine candidates for President constantly standing up and bad mouthing the economy. It seems they are living in that weird political world where good news is bad news and bad news is good news. I would like to remind these Democrats of something a hero of theirs and mine one said in a similar situation. ''We have nothing to fear,'' said FDR, ''but fear itself.'' Those who talk tough and breed fear and cynicism to get notice in a political environment bear some responsibility for the fear they spread.

Tough times are not new to the American people. Each generation has its own new challenges. Ours is that we are asked to deal with overlapping threats to our national security and our economic security.

But almost all of the key economic indicators; job growth, business investment, consumer spending, have shown that we are making progress on both fronts. We need to listen to the voices of hope and optimism at such times, or we can become our own enemy.

Today we face unparalleled challenges to our security—and concerns about our economy.

We will only get through them if we say yes to the things Republicans are working on now, such as tax cuts, continuing our jobs agenda by passing an energy bill; stemming the costly litigation mentality, keeping the lid on spending, and say no to those who would snatch defeat from the jaw of victory.

I yield the floor.

The PRESIDING OFFICER. The Republicans have 1 minute to ask a question.

Mr. COLEMAN. Mr. President, contrary to specific evidence that shows the economy is growing, Alan Greenspan's positive comment about the 2001 tax cut, and most observers crediting the 2003 tax cut for creating the recent 7.2 percent GDP figure, some of the leading Democratic candidates for President, Dean and GEPHARDT, have said we should repeal all the tax cuts, in effect raising taxes just as our economy is beginning to grow. Senator EDWARDS has said that Governor Dean misses the point. On that, I quote:

> Unfortunately, instead of addressing the problem, he makes it worse by raising taxes on the middle class and families that work.

Senator LIEBERMAN has said repealing all the Bush tax cuts, as Dean and GEPHARDT have proposed, would hurt the middle class. I wonder if my colleagues will join me by rejecting the proposals by Dean and GEPHARDT to roll back the entire tax cut, which would raise the lowest tax bracket back up to 15 percent from 10 percent, reduce the child tax credit from $1,000 to $500, and force 4 million working poor people to pay taxes.

The PRESIDING OFFICER. There are now 2 minutes to respond from the Democrat side.

Mr. DORGAN. Mr. President, it is an interesting question posed by my colleague from Minnesota, and prior to him posing the question, he talked

about more tax cuts and a lid on spending. Frankly, he is proposing and his party is proposing more defense spending, more homeland security spending, more spending in virtually every category, and then tax cuts in addition, which leaves us with very large deficits.

But he asked specifically about tax cuts, so let me describe the difference in tax cuts relative to our party and their party. We believe in tax cuts and support tax cuts for working families. In fact, we had a very significant tax cut plan that would have said to working families in this country who bear a pretty significant tax, payroll tax and income tax, that we are going to give you a pretty good size tax cut. But the majority party said that is not what we want to do.

But the majority party said: That is not what we want to do. We want to say to the person who is making $1 million a year, you really need the relief. We are going to give you a $93,000 tax cut because we believe the economy works better when you put something in at the top and somehow it trickles down. We happen to believe the percolate-up approach is what makes this economic engine of ours work. And we believe if you give working people something to work with, tax cuts targeted to working people, we will have an economy that regains its footing, provides economic growth, opportunity, and hope once again. That is the way to engineer economic growth and new jobs and expansion of opportunity in this country.

The PRESIDING OFFICER. There is 1 minute for rebuttal on the Republican side.

Mr. COLEMAN. Mr. President, the comments of my colleague from North Dakota indicate that they do reject the Dean-Gephardt proposal that will roll back all the tax cuts.

Two observations: No. 1, spending. Goodness gracious, the Republican Conference has rejected $1.3 trillion in additional spending proposals from my colleagues across the aisle since the beginning of January. That is like the kid who kills his parents and throws himself on the mercy of the court and says: I need mercy. I am an orphan.

You are talking about spending and, in addition, talking about tax cuts. We always hear: Tax cuts for the rich, tax cuts for the rich. Seventy-nine percent of the tax cuts at the top bracket are small business people. They are folks in Minnesota I deal with all of the time who come to me and say: This makes a difference; this is important to us. Seventy-nine percent. We have to get away from the class warfare and recognize that we are growing jobs by helping small business.

The PRESIDING OFFICER. The Senator's time has expired.

The Democrats are recognized for 1 minute to ask a question.

Mr. HARKIN. Mr. President, the Bush administration wants to eliminate overtime pay for some 8 million Americans, including many policemen, firefighters, and nurses. One big reason overtime pay was created in 1938 was to create jobs by Franklin Roosevelt to give employers the incentive to hire new workers rather than paying time and a half to current workers. By killing overtime for millions of workers, the administration will also kill the incentive to create new jobs and hire new workers.

At a time when we are struggling to create new jobs, why in the world do so many Republicans want to give employers a new disincentive to begin hiring again by taking away what we have had since 1938—overtime pay protection for almost 8 million American workers? Why would we want to take that away and give employers more of an incentive to continue to hire people—or to work people longer in the day or the week without paying them any more money?

The PRESIDING OFFICER. The Republicans are recognized for 2 minutes to respond.

Mr. COLEMAN. Mr. President, first, we can have a great debate about overtime. I can tell you from talking to folks in Minnesota—I get calls from the building trades and others—that the issue doesn't affect them.

The fact is what we are looking to do is make business more efficient. That is what it is about. We do not want to hurt workers. I think it is about time we addressed the root causes. What is it that helps business expand or not? I think that is what my colleagues on the other side of the aisle at times just do not seem to get.

You talk to business people, and what do they tell you? Cut taxes, cut regulation, give them the opportunity. That is what is in the tax cut. Increasing depreciation, increasing expensing for small business, if we do those things, they will grow jobs.

There are a whole range of issues on which I hope we can find common ground when it comes to protecting workers. I will work with you, but in the end, you have to have workers, and you can't have workers unless you do those things that allow small business to grow. If you roll back tax cuts and roll back expanding accelerated depreciation, if you roll back the increased expensing, if you continue to short business and increase regulation, in the end there will be no jobs for folks to work overtime. That is what it is all about.

Let us address the root causes of things that grow jobs. That is what this Republican agenda is doing. That is what the President's tax cuts are doing. Let us keep moving in that direction.

The PRESIDING OFFICER. The Democrats have 1 minute for rebuttal.

Mr. HARKIN. Mr. President, I had some calls like that, too, from labor groups and building trades on the overtime issue. I thought, well, it doesn't affect you. With a union contract they get their overtime pay. But check with their spouses. They will be told to stay another 2 or 4 hours. Right now, sometimes in America almost 25 percent of a family's income comes from overtime pay. That is taking away family income. It is taking away time from ones family. And, it is reducing the need to hire additional workers. That is why we oppose the administration's regulation to take away overtime pay protection.

The PRESIDING OFFICER. The Senator's time has expired. The Republicans have 1 minute to pose a question.

Mr. ALLEN. Mr. President, I would like to pose a question to Mr. HARKIN, the Senator from Iowa. This question gets into the issue we are talking about, which is jobs.

Taxes cuts help create more jobs for small businesses, especially the most recent tax cuts for accelerated depreciation. Regulations from the Federal Government also can reduce choice and cost jobs. For example, we believe free people and families ought to be able to keep working. The proposal would harm those choices and jobs.

For example, the proposal which has strong Democrat support would increase the cost of purchasing pickup trucks, SUVs, and minivans. America is dominant in the manufacturing of minivans, SUVs, and pickup trucks. Many people are choosing to buy them for the safety of their families.

I ask the Senator from Iowa: How many SUV jobs would have been lost had your side prevailed?

Mr. HARKIN. Mr. President, I am trying to understand the question posed by my friend from Virginia.

Mr. ALLEN. How many jobs would have been lost had your position prevailed?

Mr. HARKIN. On SUVs and pickup trucks?

Mr. ALLEN. I am talking about the CAFE standards.

Mr. HARKIN. I see.

First of all, as my friend from Virginia knows, I represent a rural State, as does my colleague from North Dakota. We have a particular use for SUVs as pickup trucks and heavy vehicles in the country.

I happen to have a house out in the Senator's State, in Fairfax County. I drive back and forth to work 12 miles every day. There is traffic congestion. I can't believe how many SUVs, pickup trucks, and big trucks I see. I do not believe that we need to give high income doctors a special $100,000 tax deduction if they buy an oversized SUV weighing more than what is the tax definition of a car so they can drive around the suburbs. For legitimate business reasons, a farmer or a rancher might need them out in the countryside for that kind of work, you bet. They need that, but not the people who live in this city.

We are hemorrhaging debt and don't need to create that tax break.

CAFE standards: I have to say to my friend from Virginia, you can't have

long-term sustained economic growth in this country if you are destroying the environment or if we continue to sharply increase our oil supply. That makes us far more dependent on Mideast oil. There has to be a balance. We do have to have balance. But what I see from the other side is just to heck with any regulations, throw caution to the wind, pollute as much as you want and not to worry about the huge oil bills we are paying to the Mideast.

Our taxpayers today—the Senator's taxpayers and mine—are coughing up billions of dollars every year to clean up the toxic waste sites that big corporations left and walked away from, and now our taxpayers have to pay to clean it up. That is why it is important to have regulations to make sure that companies don't pollute and that they do things in the best environmentally sound manner.

The PRESIDING OFFICER. One minute is remaining for the Republicans.

Mr. ALLEN. Mr. President, I don't think SUVs, minivans, and pickup trucks cause toxic waste sites. I will agree with one thing, and I think most people in America will agree: The comments of the Senator about all of these SUVs, minivans, and pickup trucks driving around in northern Virginia are driving to nowhere; most people in America would probably consider DC nowhere.

Cost in lives: 4,500 deaths would occur each year if they had increased these standards. Vehicle costs would have gone up $2,500 for cars and $2,750 for SUVs and pickup trucks. The United Auto Workers said this proposal would have cost hundreds of thousands of jobs.

We have a Ford assembly plant in Virginia. And I would hate to see a 20-percent loss there and have to go to those 2,200 employees and say 1 out of every 10 of you is going to lose a job because the nannies up in Washington want to take away your choice to drive a vehicle that people would want for their families and for their safety.

The PRESIDING OFFICER. The Senator from North Dakota is recognized for the next question.

Mr. DORGAN. Mr. President, the issue this evening is jobs. Let me ask a question of my colleagues about the insidious and perverse incentives in our Tax Code that subsidize companies which move their United States jobs overseas.

I mentioned Huffy Bicycles, gone from Ohio because they made $11 an hour. That is too much. They can produce bicycles where they pay 33 cents an hour. I am saying your party has included, and is at the moment, coming from the Finance Committee, including more incentives to move jobs overseas. I ask the question whether you are prepared to vote with us to shut down the incentives in the Tax Code that tell people if you move your United States jobs overseas and shut your U.S. plant down, we will give you a benefit in the Tax Code. Where I come from, that does not add up and it makes no sense. Are you prepared to join with us and vote to end all of those subsidies now?

The PRESIDING OFFICER. The Senator from Virginia.

Mr. ALLEN. I am not sure what the Senator from North Dakota is actually talking about. What we are talking about and what we are trying to do is make sure the United States of America is a place that is conducive to do business. It is a shame and it is aggravating to all of us when a company goes overseas. It takes jobs away. One of the reasons they will move away is the cost of doing business. We are in competition with other countries. It is our view what we ought to be doing is target assistance to businesses to invest in this country. That is why we tripled the amount that could be expensed for small businesses, allowed also that if people buy new equipment, new technology, to be more productive and more competitive, they could write it off more quickly.

These initiatives, the depreciation, the writeoffs, have actually had a beneficial impact on our economy, not only those businesses that are investing in this country, most of which are small businesses that create about 75 percent of the jobs, but those that fabricate or manufacture whatever equipment or manufacturing efforts they have, whoever is assembling it, whoever is transporting it, packaging it, or selling it. That is all beneficial.

Our point of view is we need to make sure America has tax laws and the regulatory policies that allow America to compete so companies do not have any incentives or need to move overseas. I will later bring up a question which I think will be very helpful for getting those profits back into this country.

Republicans will join with Democrats saying we do not like to see companies go overseas, but we have positive, constructive solutions and ideas to keep those jobs here, so companies do not feel they have to go to another country with less regulations and lower taxes for them to provide for themselves and their shareholders.

The PRESIDING OFFICER. One minute for the minority.

Mr. DORGAN. One of the issues of competition is wages. Companies now leave this country because they can find somewhere in the world where they can hire a 12-year-old and pay them 12 cents an hour. Some think that is global competition. That ignores that which we fought for, for a century, about safe workplaces, environmental standards, child labor laws, and fair compensation.

Let me also say there is a bill coming from the Finance Committee that will give us a chance to vote on the question of whether we want to keep subsidizing the movement of jobs overseas. That bill will once again say to companies, we will give you a break. Move your jobs overseas, you do not have to pay tax on your income until you repatriate. And when you do, by the way, we will charge you 5 percent. We will charge you a third or fourth the tax rate a receptionist is paid, the lowest in the office.

Is that fair? The answer is no. Once again, it is another incentive to say to people, if you move your jobs overseas, go find lower labor rates somewhere else, call yourself an American firm but hire foreign labor, we will give you a benefit. That ought to be shut out of the Tax Code. Your party is opening it up.

The PRESIDING OFFICER. The time has expired. One minute for the next question from the majority.

Mr. COLEMAN. Mr. President, Democrats express concern of a loss of manufacturing jobs and our country's ability to compete in the world; again, a concern I share. But then Democrats turn around and oppose each and every policy objective the National Association of Manufacturers says it needs to stay competitive.

That is what this is about. How do we stay competitive—including medical malpractice reform, to rein in runaway health care costs killing our small businesses, asbestos reform, class action reform, and a myriad of other reforms.

In addition, there is talk of perhaps Democratic obstruction to an Energy bill that will create 500,000 to 700,000 new jobs. Are the Democrats prepared to come around on these issues and finally support the thing our Nation's manufacturers say they need to stay alive?

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, I have not heard a description of my colleagues riding Huffy bicycles or their desire to ride a Huffy bicycle in the future, but let me come back to that point. You are talking about U.S. manufacturers and the conditions of competition. Do you think Huffy bicycles decided to make bikes in China rather than Ohio because of some bill we did or did not pass in the Senate? I am sorry, they went China because they could pay 33 cent an hour in China, they could have people work 7 days a week, 15 hours a day, and they could not do that in this country. That reduced the price and the cost of producing that bicycle.

I ask, if you have bought a bicycle for your child lately, whether you saw a reduction in the price of Huffy bicycles just because they went from $11 an hour to 33 cents an hour. I will answer for you. The answer is no. It was about profits.

The question is, do you want to have a race to the bottom? Is that what you want for the American businesses and the American workers? Do you want to have a race to the bottom on wages, on health standards? Is that where we are? I don't think so.

We can compete anywhere in the world, but the competition has to be

fair. American companies and American workers ought not to have to compete with 12 cents an hour or 33 cents an hour labor. That is not fair competition. That is why I raised the issue of trade.

We have the trade ambassador busy running around the world right now trying to do more trade agreements. The last one, incidentally, which both of you voted for, put in an immigration provision that had nothing to do with the trade agreement, so that we could have an enormous number of people come through Singapore to take jobs in this country. We could not get it out. They will displace American workers, coming into this country to take American jobs, and we had an amendment we could not get out. Instead, they pass an amendment that says you better watch it, but you cannot take something out of a trade bill because of fast track.

This issue of competition—you want to change the subject, let's talk about what fair competition is for American businesses and American workers.

The PRESIDING OFFICER. The Senator's time is expired.

One minute for rebuttal for the majority.

Mr. COLEMAN. I deeply appreciate my colleague's concern for fair compensation. I note Senator DORGAN has been one of the chief advocates for trade with Cuba. I hope he would take that same philosophy about human rights and workers rights in dealing with Cuba.

I would also reflect a little bit on the comment about trade. NAFTA was signed by President Clinton and the Uruguay Round after being approved by a Democrat House and Democrat Senate. I believe Senator HARKIN supported both of those votes. On NTR trade with China, I believe both Senators DORGAN and HARKIN supported that. The reality is, we have a trade ambassador going there right now to push for some controls, push for expanded buying by China, cut down the deficit. But the bottom line is, How do we make us competitive?

Going back to the National Association of Manufacturers, they say the U.S. industry is burdened by legal and regulatory systems that retard growth and destroy jobs. That is what we have to deal with. We have to deal with the underlying things that make it impossible for businesses to grow in this country.

The PRESIDING OFFICER. The Senator's time has expired. One minute for the minority to ask a question.

Members are reminded to direct their remarks through the Chair.

Mr. HARKIN. Mr. President, in less than 3 years time President Bush has turned a projected surplus of $5.7 trillion into a projected deficit of $4.2 trillion over the next 10 years. Now not even Congress is powerful enough to reverse the law of supply and demand. This vast new debt will raise interest rates and damage the economy in the long run. It is going to hurt the Federal Government's ability to cover the Social Security and Medicare costs of baby boomers and the education of our kids.

The tax bill gave a $93,000 tax cut, on average, to those earning more than $1 million a year. The majority of Americans, however, get less than $100.

Also, right now, more and more foreign countries are owning our debt and more and more will be owning that debt over the next 10 years.

My question is, are these tax cuts for wealthy Americans worth the long-term damage they will cause our economy?

The PRESIDING OFFICER. The Senator from Virginia.

Mr. ALLEN. I thank the Senator from Iowa for that great question. What we care about is fiscal discipline and we do care about fiscal deficits, but what we care most about, as Republicans, is the job deficit.

As my wonderful colleague from Minnesota, Senator COLEMAN, said, this country has been hit by something that is unprecedented, other than maybe Pearl Harbor, with the attacks on September 11. That had a devastating impact on the confidence and the capabilities of our economy for a short while, but we are coming back, even in the midst of a war on terrorism.

When our friends on the Democrat side of the aisle talk about fiscal discipline, what they are talking about is continuing to tax the taxpayers. The bottom line is they think taxes ought to be higher on married people, on families, on individuals, on small businesses; even on people who die.

When you discuss fiscal discipline, as shown on this chart, here is the reality. As we were trying to cut taxes to help create more jobs and more investment in this country, Democrats proposed a variety of different amendments on the floor, as shown on this chart, is how much it would have raised spending: Each year it would be about $87.9 billion; over 10 years, $1.3 trillion—$1.3 trillion additionally spent.

Our view is, the best way to raise revenues for the Government, for key priorities in research, in aeronautics, in education, for national defense and homeland security is to have a vibrant economy where people are working and paying taxes, and businesses are prospering and paying taxes, rather than going bankrupt or having people unemployed.

Shown on this chart is the cost of Democratic proposals in the Senate. Fortuitously, we have a majority, and we are able to include responsible spending so that the taxpayers will get more of their money and not have added burdensome debt for the future.

The PRESIDING OFFICER (Mr. SUNUNU). There is 1 minute for the minority to rebut.

Mr. HARKIN. Mr. President, I am somewhat taken. I cannot believe it. The Republicans are in charge of the White House, the Senate, and the House, and they are blaming the Democrats for this economic downturn and for the fact that we have these huge budget deficits. They are the ones who are in charge.

They are the ones that produced an 8 percent increase in domestic discretionary spending last year, far more than the average increase in the Clinton years. And, that excludes Iraq and Defense.

I would respond to my friend from Virginia, no, we do not believe in higher taxes, but we do believe in fairer taxes—fairer taxes—for the American people.

Right now, the corporate income tax rate is the lowest it has been since the 1930s except for 1983—1.2 percent—yet payroll taxes, paid by every hard-working American, is at the highest level ever. That is what has been happening; not that the people ought to pay more taxes, we ought to have fairer taxes.

Why is it fair that in the 2003 tax bill those making over a million dollars a year are getting, on average, $93,000 while half the taxpayers got $100 or less. That is what we are opposed to.

The PRESIDING OFFICER. There is 1 minute for the majority to ask a question.

The Senator from Virginia.

Mr. ALLEN. Thank you, Mr. President.

Mr. President, I would like to ask the Senator from North Dakota, Mr. DORGAN, this question. It follows up on some of his questions to me, and that has to do with what we call the Invest in the USA Act, which the Senate has passed, although there were dozens of Democrats who voted against it.

Current tax policies in this country hinder and punish U.S. companies that conduct business overseas. We would like them to do well and get into other markets, but if they want to bring that money back into this country, they are taxed at 35 percent.

Now, Senator DORGAN and Senator HARKIN oppose this investment in America. Can Senator DORGAN share with us the positive economic impact if this were actually put into law?

Mr. DORGAN. Mr. President, it is interesting that this behaves in exactly the opposite way as the Senator from Virginia understands it.

When you say to a company in this country, if you will simply invest overseas, heck, move a plant overseas, fire your workers in North Dakota and Virginia and Ohio, and employ foreign workers, if you will just do that, we will give you a deal. You will never, ever have to pay taxes on your earnings overseas. So get rid of that U.S. plant. Move it overseas. Earn your money there. And you simply do not have to pay taxes on it. That is called deferral. And the only time you will ever have to pay taxes is if you repatriate your income to this country. So there is a built-in incentive to move your company overseas.

I am surprised the Senator from Virginia would ask a question about that

because, in fact, the Finance Committee is now saying: I have an even better deal. We will keep deferral in the law—which is the perverse incentive—and we will allow you to repatriate that which you did earn, and we will charge you only a 5-percent income tax.

Any company that takes a look at that would say: Well, I can't have a better deal than this. They will continually support me to invest overseas. And there will now be precedent to allow me to repatriate the income and pay—I don't know—a fourth of the tax of the lowest paid workers in this country. What a deal, except that every company will now understand that is the way this Congress works, and so there is a big bonus for me to shut down my U.S. plant and invest overseas.

You talk about perversity, look, I am interested in jobs. I am interested in companies to expand their job base. The way to do that is to encourage that expansion in this country, to hire American workers, and pay them well, and to give them good benefits, and then, through them, earn good profits.

That is what I want for this country. But this country cannot any longer ignore the perversity in the Tax Code. And one of them is exactly what the Senator from Virginia alleged, that subsidizes the flight of jobs overseas.

The PRESIDING OFFICER. There is 1 minute for the Republican side to rebut.

The Senator from Virginia.

Mr. ALLEN. Mr. President, I would say, thank goodness the views of the Senator from North Dakota are the minority view. The reality is, most countries do not impose these 35 percent taxes. The current tax law prohibits businesses or impinges on their ability to bring profits back into this country to help create jobs.

A number of people, from Dr. Allen Sinai to Decision Economics to JP Morgan, have shown there would be 400,000 to 500,000 new U.S. jobs in this country, $100 billion in increased investment in this country in equipment and research and development, and a reduction in corporate debt if this legislation were enacted.

You can keep the laws the way they are without this provision, and what you will see is more jobs going overseas. But if you have this 1-year benefit, you will find the benefit being in the hundreds of thousands of new jobs, with important investment here in America as opposed to overseas.

Mr. DORGAN. Mr. President, as I ask a question, might I say, I don't know about all these doctors and analysts, but I know about Americans who lost their jobs because of this perverse incentive; and that is what I want to shut down.

But let me ask my colleagues a question about this record. Again, we do not have to debate theory tonight. Let's just debate what has happened.

The odds against this being a coincidence are highly unlikely. Every Democratic administration has produced far more jobs than every Republican administration. Does that mean one is good and one is bad? No. It means different strategies produce different results.

Isn't it the case that, over many years, the strategy by which we invest in working people and invest in small businesses, and giving them something to work with, produces the robust economic opportunity and economic growth across this land? It is true with Clinton, Carter, Johnson, right on down the line. And the evidence does not lie.

As I said, might this be a coincidence? Mathematicians say the odds are highly unlikely against that being a coincidence. In the last 40 years, every Democratic administration has done better than every Republican administration in creating jobs.

The PRESIDING OFFICER. The Senator's time has expired.

The Senator from Minnesota.

Mr. COLEMAN. Thank you, Mr. President. I love that chart. Let's go back to Jimmy Carter: 18 percent inflation, 23 percent interest rates, long lines at the gas pump. You talk about turning a sow's ear into a silk purse, that chart does it.

But let's talk about reality and let's get away from the abstract. I agree with my colleague from North Dakota: Let's get away from what the economists say. I want to quote Joan Thompson, executive vice president and CFO of Midwest Wire and Cable in St. Paul, Minnesota, a small business. She says:

> Our company will be stronger, continue to grow and provide more jobs with these type of incentives [we have seen in the tax cut].

She singled out the increase in small business expensing for new investment and increase in first year bonus depreciation as two keys in her company's resurgence.

Cirrus Manufacturing, one of the largest private employers in Duluth, MN, an area up north that suffered a lot of job loss right after the tax cut was passed—they sell private airplanes—talked about how they got sales that all of a sudden happened, that had been on hold for ages, because of the increase in depreciation.

I am not going to talk about charts. I am going to talk about reality.

I have to hit one other thing about reality; and that is, the reality is we were hit with September 11. We were hit with Enron and Worldcom. We were hit with the burst of the dot.coms. And we have come back. And why? That is the choice here today. Do we come back with providing the opportunity for small business to invest and grow jobs or do we continue to tax? Do we continue to regulate? Do we continue to overspend and drive this economy further down?

We are moving forward. Business investment is up, consumer spending is up, GDP is up. Housing starts are up. Jobless claims are down. Payroll jobs are up. Productivity is increasing substantially. Total investment is up. The unemployment rate is down.

We are moving in the right direction with this President's and this Republican Senate's vision. Let's keep moving in that direction.

The PRESIDING OFFICER. There is 1 minute for the minority.

Mr. DORGAN. Mr. President, we certainly agree. I hope very much that we are moving in the right direction. We want economic expansion and jobs. But the fact is, Jimmy Carter has come up several times here. I am not surprised it is Grover Cleveland. There are so many excuses.

We are choking on Federal budget deficits. We are choking on a trade deficit that is the highest in history. The fact is, the American people lack confidence in the future because we don't have our fiscal house in order. We can blame others but we are dramatically increasing spending on defense, on homeland security, and cutting taxes substantially, and we have a fiscal policy that does not add up.

I want one that adds up, that creates new jobs and new economic expansion and hope for the American people. Most families just want a good job that pays well, that gives them some security. Most small businesses want a chance to expand in order to create new employment. That is all we want. The question is rooted in this chart. Where has the performance been? We don't have to debate theory. Just debate the performance of those who believe if you invest in working families, our economy does just fine.

The PRESIDING OFFICER. At this time, each Member will have 2 minutes for closing argument, beginning with a Member on the minority.

The Senator from Iowa.

Mr. HARKIN. Mr. President, this has been a good debate. I wish we could go for another hour.

Just a couple points. First, on job growth, that I have heard my friends on the other side talk about here this evening and the last month. The fact is, manufacturing jobs are going down. The service sector has increased. Manufacturing jobs continue to lose. One in seven manufacturing jobs were lost during the Bush administration. We are now at the lowest level of manufacturing jobs in our country since 1958, and it continues to go down. So when they talk about job growth, they are talking about the lowest kinds of jobs and the lowest paid kinds of jobs in the service sector.

Again, what we ought to be talking about are jobs. Again, as my colleague from North Dakota said, just look at the facts, the three major budget bills and job creation bills. In 1981, 1.4 million jobs were lost in 2 years after the Republican budget bill past. Under the Democratic budget bill passed in 1993, under our economic plan, 6.4 million jobs were created in 2 years. Of course, we know what is happening under this President Bush: after his budget bill

passed in 2001, 2.1 million jobs were lost in the next two years. It is the same old thing—Republican trickle-down economics was tried in 1981 and 2001. Put it in at the top, hope that it trickles down. That is the fundamental difference between Democratic and Republican economic policies.

We have long believed—and the proof is what we did in the 1990s—that if you put it in at the bottom, give it more to working families, invest in education and health care, educational opportunities, make the economy more efficient, it percolates up. It is percolate-up economics that works versus trickle down.

The problem with trickle down is when you give it to those at the top, they take too big a cut and it never quite trickles down. But when you put it at the bottom, you put people to work and you get the economy humming. We need to do it by expanding educational opportunities. Under this President, we have had the lowest request for educational funding in the last 30 years. That policy is going to mean a less well trained work force in the long-term, an economy that will not compete as well and larger deficits for our country.

The PRESIDING OFFICER. The Senator's time has expired. The Senator from Minnesota.

Mr. COLEMAN. Again, I thank my Democratic colleagues for participating in this debate. Much of the reasoning I have heard this evening reminds me of the definition of an economist: Someone who sees something beginning to work in reality and tells you why it won't in theory.

Simply put: The President's tax cuts have begun to stimulate the economy and grow jobs. I will go out on a limb here and say as a fact that the sky has not fallen, that we are not in the worst economy since Herbert Hoover, and the United States is not selling off the Grand Canyon to cover its debts.

Facts are facts. The business cycle lives. The economy started down long before George Bush became President. After a relatively short time of negative growth, the economy began to recover. Despite serious setbacks not of the President's making, such as 9/11, the economy is coming back strong. Jobs and deficits are the remaining problems. In the aftermath of recessions, they always are for a period. But we are headed strongly in the right direction. What every person knows is what matters is what we do here.

This is the question: Which do you think helps the economy and which hurts, raising taxes on everyone, especially on small business and job creators and then increasing Federal spending, or leaving that money in the pockets of consumers to consume or save or invest?

Tax increases would clearly hurt the economy more than increased spending would help. Today we need to look forward. To my Democratic colleagues, I ask you to join your Republican colleagues to keep the wheels of economic progress turning. I ask you to join us in enacting class-action reform, medical malpractice reform, asbestos reform, all of which the National Association of Manufacturers says is absolutely critical to this country's ability to maintain domestic manufacturing jobs. Help put an end to the perception that Democrats care about manufacturing jobs, just not enough to offend the trial lawyers.

As for the deficit, talk about the kid who killed his folks and then threw himself on the mercy of the court because he was an orphan. Here we have Democrats offering $1.3 trillion in new spending above and beyond what the budget will allow since January.

The question before us is whether Democrats will roll up their sleeves and help get the job done by passing an Energy bill or will more obstruction be the order of the day?

The PRESIDING OFFICER. The Senator's time has expired. The Senator from North Dakota.

Mr. DORGAN. My dad always told me never buy something from somebody who is out of breath. There is kind of a breathless quality to this debate from the other side. They want us to essentially ignore the fact that we have lost more than 3 million jobs in a couple of years. Of the biggest fiscal policy budget deficit in history, the biggest trade deficit in history, just ignore that. Be happy. In fact, call for more tax cuts, preferably tax cuts for businesses that are moving jobs overseas and tax cuts for people at the top of the income ladder.

Let's talk about jobs, though. What is the menu that creates new jobs? The Oscar Meyer Company had an opening for their Weinermobile driver. Eight hundred college graduates showed up to apply to drive the Weinermobile. What does that tell you about jobs in this country? This is a sad commentary on our job situation.

This country needs new jobs. We don't need an economic strategy that shrinks. We need one that expands jobs. We will best serve the American people if we decide these things matter. Deficits matter. Trade policies matter. If we decide these things matter and start working on them in a bipartisan way, in a thoughtful way, in a commonsense way, we will best serve this country's interests.

But facts remain. This is the first administration since Herbert Hoover that had a net loss of jobs, nearly 3 million jobs since it took office. I take no pleasure in saying that. I wish it were not so. I hope a year from now I can say there are massive new jobs being created and our economy is growing.

But I tell you this: That won't happen if we ignore the fundamentals. Let's get back to the fundamentals: fiscal policy that adds up and works; trade policy that adds up and supports this country's best interests in a way that can give confidence to the American people about the future. We won't provide confidence by putting our head in the sand and saying: Be happy. Just call for more tax cuts.

I am for tax cuts, but I am also for a world-class educational system, protecting our environment, and creating more jobs.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. ALLEN. Mr. President, I thank my colleagues for joining in this debate. I think we all do share the same goals for this country: a strong national defense, homeland security; education, stronger nanotechnology, aeronautics and so forth. The question though is, How do you get there? How do you achieve this goal? That is where the difference lies.

We have been pushing for tax cuts because we trust free people and free enterprise. We figure families who have children, when they got that $400 check this summer, needed that money for their kids. You have seen the results. They spent it on shoes or clothes or electronics, and it increased retail selling, which is great for the retailers and manufacturers of the products and the transporters and all the rest.

You see the job growth. Is it where we want to be? Of course not. What we are doing on the Republican side is putting forward a positive, constructive agenda and solutions to move America forward and help create more jobs. The difference is, on the Democrat side, their view is more taxes. They opposed our efforts to reduce taxes on married people. We wanted to get rid of the marriage penalty tax. We wanted to reduce taxes on families, on small businesses, entrepreneurs. They opposed us. But things are moving forward in the right direction.

We also disagree on their taxing of Social Security benefits. I know some of them, my friend from North Dakota, even want to tax the Internet which I believe ought to be free from burdensome regulations.

The bottom line of our philosophy was best summed up by Ronald Reagan who said in 1985: Every dollar the Government does not take from us, every decision it does not make for us will make our economy stronger, our lives more abundant, and our future more free.

That sums up the Republican approach and, indeed, its current success shows that it is right.

The PRESIDING OFFICER. Under the previous order, at this time the Senator from North Dakota, Mr. DORGAN, and the Senator from Arizona, Mr. KYL, will each be recognized for 1 minute.

Mr. DORGAN. Mr. President, first of all, I have enjoyed the opportunity to exchange views with my colleagues. They are very able legislators. I thank my colleague from Iowa and my colleagues from Virginia and Minnesota and also my colleague from Arizona, chairman of the Republican Policy Committee.

I must, however, correct one little misstatement at the end. My good

friend from Virginia just raised this little issue about the Internet tax, and nobody is suggesting we tax the Internet. We will save that for another day. We can have another date—just the two of us—on that subject. We need to do that based on facts.

I will say that I think this is a good exchange of views. My colleague from Arizona and I, with our caucuses, have created an opportunity—and we will try to do this each month—which allows us to exchange views on specific subjects. I think it merits additional opportunities in the Senate, and I will be pleased in the coming months when we are in session to work with my friend, Senator KYL, to find additional topics and debaters and to further advance discussions on public policy in our country.

I yield the floor.

Mr. KYL. Mr. President, I, too, thank our four debaters this evening, and especially my colleague from North Dakota, Senator DORGAN. He and I chair the policy committees of our respective conferences. We decided that too much of our debate in this body wasn't very civil or very much in the way of debate because we were frequently talking to an empty Chamber. We basically were talking past each other rather than engaging with each other.

The best way for the American people to understand our different philosophies and actually test ideas was to see us in a situation in which, like tonight, you saw questions being asked of each other and the responses being given at that same period, the rebuttals and the replies in proximity to each other, so that these ideas could be evaluated in a context of real meaning, rather than the way the debate frequently occurs here. That is not to denigrate our colleagues in the way we conduct other debates, but we think that by having this kind of an opportunity, we will not only elucidate particular issues, as was done this past week, but we can work together as friends and colleagues and bring out the best ideas and participate in debate of the kind that was originally contemplated in this Chamber.

Again, I thank the debaters. As was indicated, we intend to do this about once a month, and we hope everybody will tune in again. With that, I think we have a wrap-up request.

For the time being, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

REAL MEDICARE REFORM IS POSSIBLE WITHOUT OBSTRUCTIONISM

Mr. MCCONNELL. Mr. President, for 3 continuous days last week we focused on the obstructions imposed over the past year against President Bush's circuit court nominees by the Democratic minority in the Senate. The Senate obstructionism has claimed victims, and unless we break their holds, more highly qualified legal scholars will be lost due to their ongoing obstructionism.

Obstructionism is not just for judges anymore. It has been used also against the Healthy Forests Act, a bill that was approved while the southern California fires raged on but was subjected to obstructionism by a minority when it was time to go to conference.

Now our seniors are on the verge of receiving a new Medicare prescription drug benefit unless the Senate chooses to obstruct it. After 38 years of broken promises, a real Medicare drug benefit is right around the corner. Opponents claim that reforms in the Medicare conference are too great and the spending too little. I disagree. Seniors have waited too long and this bill does too much for it to be subjected to obstructionism.

As I indicated a moment ago, after 38 years of broken promises our seniors will finally get a Medicare drug benefit unless the Senate obstructs it. After 38 years of delay, help can begin in as soon as 6 months unless the Senate obstructs it.

Looking at the second chart, this Medicare bill will provide unprecedented resources for seniors' prescription drug benefits, almost one and a half times what President Clinton proposed and a third more than Senate Democrats wanted just 2 years ago, and we will have all of this unless the Senate obstructs it.

Looking at the third chart, the Medicare bill will cover nearly all prescription drug costs for low-income seniors—nearly all prescription drug costs for low-income seniors. This is a terrific deal for our low-income elderly in America. We will have this unless the Senate obstructs it.

This Medicare bill will cover nearly all catastrophic drug costs for seniors with high drug bills—nearly all catastrophic costs for seniors with high prescription drug bills. Let me say that again. This Medicare bill will cover 95 percent of catastrophic costs for seniors with high prescription drug bills. This is a good deal for America's seniors and we will have this unless the Senate obstructs it.

The Medicare bill will give seniors unprecedented choices. All of these new choices in yellow on this chart are choices that are not available to seniors today. Senior will have all of these new choices, both the drug plan as well as comprehensive health plans with choices that Federal workers currently enjoy, unless the Senate obstructs it.

The Medicare bill will use competition to stop waste and abuse and give seniors group purchasing power. A specialty cane that Medicare pays $44 for is purchased by the VA for $15. That waste of Medicare and retirees' money will stop unless the Senate obstructs it.

This is a picture of that cane, for which Medicare currently overpays, that the VA can get for a mere $15. Medicare pays $44. All of this kind of waste will stop unless the Senate obstructs this bill.

The Medicare bill will protect seniors by keeping the drug benefits both available and voluntary. Let me just say that again. This Medicare bill will keep seniors' drug benefits both voluntary and available. Retirees can keep what they have or get help to maintain their employer-based plans, can get a drug benefit through traditional Medicare, will get new choices in improved Medicare, will be protected by a Government backup plan and substantial resources to make sure the choices are really there, not just on paper but choices that are really there. Seniors get all of this protection unless the Senate obstructs it.

This Medicare bill will protect Medicare for tomorrow's seniors by controlling costs and preserving the system. While the bill provides an unprecedented amount of resources—again, almost one and a half times what President Clinton proposed and a third more than Senate Democrats wanted just 2 years ago—the bill requires that costs be monitored to control spending in excess of $400 billion. The bill adds competitive forces to drive down costs, reward efficiency, eliminate waste and abuse, and weed out fraud so that Medicare will be preserved for our children. All of this will happen unless the Senate obstructs this measure.

Finally, looking at chart 9, the Medicare bill provides real resources, real benefits, real health, real choice, real protections, real competition, and real cost control. All of those items are in this measure, and we will have a chance to approve it later this week.

After 38 years, seniors will finally get a good prescription drug benefit unless the Senate obstructs it. I think it is the poorest and frailest seniors who will suffer enormously from more obstructionism this time against this Medicare prescription drug bill.

So that is where we are. This is a great new plan that will be before the Senate later this week, an opportunity to really help seniors with prescription drugs for the first time, after years of conversation. Let us not miss that opportunity.

I yield the floor.

RECENT BROADCAST FLAG REGULATIONS

Mr. LEAHY. Mr. President, I rise today to commend the Federal Communications Commission for its continuing work on the important broadcast flag regulations. Over-the air-television remains a critical part of the distribution of American television, and these regulations help to promote and improve over-the-air broadcasting of high quality digital programming. They do this by giving broadcasters the tools they need to protect their digital