

Bob Dole



NEWS

U.S. SENATOR FOR KANSAS

FROM:

SENATE REPUBLICAN LEADER

FOR IMMEDIATE RELEASE
MARCH 11, 1993

CONTACT: WALT RIKER
(202) 224-5358

DEFICIT REDUCTION: FACT & FICTION

CLINTON'S IDEAS SOUND GOOD, DETAILS LOOK BAD;
MIDDLE AMERICA NOT CELEBRATING CLINTON "STICKER SHOCK"
REMARKS TO THE NATIONAL NEWSPAPER ASSOCIATION
CAPITAL HILTON, WASHINGTON, DC

I always appreciate the opportunity to visit with National Newspaper Association editors and publishers. It's always refreshing, and always helpful to get some input from the real world for a change. If only the New York Times or the Washington Post had your common sense and mainstream values.

The good news is, despite the power of those two corporate newspaper giants, community dailies and weeklies are still the bedrock of American journalism: you are truly your reader's neighbors; you are the fellow businessmen and women up and down Main Street; and you are the community leaders.

No doubt about it, it's a whole new ball game this year. With Democrats controlling Congress, and now the White House, too, I feel like I'm that kid in the movie "Home Alone".

Of course, I'm not really "alone". With 43 Republicans in the senate, we can be an effective and influential voice for change. And we will be as we take on the huge challenges that await us. As I said on election night, we can be the voice of the 57% of voters who did not vote for Bill Clinton. Now, that's not a negative comment. That's simply a reflection of the fact that while Americans seemed to be voting for "change", the message was decidedly mixed -- 57% of those who voted, voted against Bill Clinton. That's not a blank check, or a definitive mandate for one man's agenda, or a one party government.

Meanwhile, Republicans held our numbers in the Senate despite losing the White House; and we picked up seats in the House, and did quite well in state legislative races.

Ross Perot's Contribution

Make no mistake, I'm not forgetting about Ross Perot. He changed the dynamics of the presidential race. He changed the debate. And he's not going to fade away, that's for sure. If anyone here wants to try to outspend him, please raise your hand. You can't ignore him, either. He's like that "Energizer" bunny, banging the drum, over and over and over again until you listen. And guess what -- America listened. It was a drumbeat we needed to hear. Ross Perot made the federal deficit issue number one, and for that we all say, thank you.

Campaigning vs. Governing

Right now, President Clinton is discovering just how tough the deficit can be. Whether you're a Senator or a President, it's pretty easy out on the campaign trail to make a tough speech about the deficit, but making the tough votes is something else, indeed.

And one of the first lessons the Administration has learned is it's easier for them to raise someone's taxes than it is to cut someone's favorite program. It's easier to call some tax increases a "spending cut". It's easier to call new spending an "investment." It's easy to hang the "fairness" label on any new taxes. And it's easy to say you're going to cut defense -- until you realize that cutting defense also means cutting jobs.

Ideas Sound Good; Details Look Bad

Now, President Clinton has done a good job selling his economic ideas. No doubt, his ideas are popular -- they sound good: who could be against "investment" and "fairness" and "putting people first"?

But what do you really know about his tax and spending plans? His Administration's determination to make government bigger and more bothersome and much more expensive?

That's why this White House is big on ideas but short on details. And because of that fact, the American people could be signing a blank check that will come bouncing back home, much to their regret and anger.

Some of us were encouraged when we heard Treasury Secretary

(MORE)

David B. Bensen and Budget Director Leon Panetta say in their confirmation hearings that they wanted to cut 2 dollars in spending for every dollar in new taxes. But when the rubber met the road, the mix turned out to be more like five dollars in new taxes for every dollar in spending cuts. I returned on Monday from a weekend in Kansas, and I didn't hear much excitement for a program with that kind of tax-heavy mix. The message I'm hearing from farmers, factory workers, shopkeepers and the rest of working America -- and I imagine you're hearing it too -- is that we can do better: we ought to cut spending more before we ask any taxpayer to fork over any more hard earned money to big government.

Clinton "Sticker Shock"

So let's blow away all the public relations smoke for a minute and take a hard look at the Clinton numbers...and get ready for some "sticker shock": the Clinton plan would raise taxes by \$337 billion during the next five years; government spending will go up \$178 billion; net spending cuts will only total \$55 billion during that time; and by the time all that happens, it's going to be 1998 and America will still have a deficit of almost \$230 billion.

No Celebration in Rural America

Now, if you're from rural America -- and many of you are -- you won't be celebrating the Clinton tax plan. It will hit rural America hard, socking farmers with big energy taxes, and rocking small businesses with big taxes and big mandates. What rural America needs is a helping hand, not a kick in the teeth. Our small towns need every incentive to grow, but taxing and mandating them will only make them shrink. Frankly, I can't see how a new energy tax and more mandates will help rural newspapers. Weeklies and community dailies can't be too thrilled about an advertising tax, either. If the Clinton plan ever became law, there probably wouldn't be too many small businesses left in your town to advertise anyway.

I know you're hearing this week about more spending cuts from the Democrats. What you may not hear is that those so-called "additional" cuts are really just backfilling to bring the deficit reduction the President said he wanted, but didn't get when the Congressional Budget Office checked his numbers. In fact, the so-called cuts are really \$28 billion in more tax increases and \$70 billion in phony bookkeeping. So much for new "cuts".

The Republican Role

Now, part of the problem may be that Republicans weren't consulted when it came to assembling the Clinton package. We have plenty of good ideas, and the President says he's eager to see them. But before we offer up a Republican plan, we feel that we are entitled to see the specifics of his plan. And so far, the White House hasn't sent them to us, despite a February 1st deadline for submission of an official budget. But make no mistake -- Republicans plan to do our part. We'll offer constructive improvements and good ideas in an effort to reduce the deficit in a sensible way.

We are working on a comprehensive Republican alternative that would match the President's goals on deficit reduction without raising taxes. We can do this by eliminating all of his new spending, accepting most of the president's spending cuts, and then going even further with some tough cuts of our own. We will also make a major effort to dramatically scale back the President's huge tax package.

It just makes sense that if President Clinton is looking for a place to start cutting more spending, he should start with the bulk of his \$178 billion in new spending he's proposed for programs that are already well funded and pumped up for inflation. We may support some of his so-called investments, but if you're trying to put Uncle Sam on a diet, the last thing you should do is tempt him with a heaping plate of taxpayer-funded goodies.

Deficit Up: Democrats Send Wrong Message

Regrettably, the Democrats sent the American people precisely the wrong message, when they jacked up the deficit by a whopping \$5.8 billion. That's funding to pay for new unemployment benefits, benefits I and just about everybody else support. What Republicans didn't support was not paying for them. We offered a way to pay the tab, but I'm sorry to say that not one Democrat agreed with us to accelerate some of the President's own spending cuts to pay the bill. Instead, they whipped out the American taxpayers' credit card, and future generations will pay for it. That's not the kind of "change" the American people voted for, or thought they were getting.

Know the Facts

Let me conclude by saying the key to our economic challenge is education. Let the American people know what's going on back here. Let them know the facts. I am confident that when they see the fine print, see the details, understand the consequences, they will make the right judgment. But that's where you come in. So let's keep in touch.

###