



NEWS from U.S. Senator Bob Dole

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CUTS IN FEDERAL SPENDING MUST ACCOMPANY TAX REDUCTION, DOLE SAYS

CENTREVILLE, Md. -- Sen. Bob Dole (R-Kan.) said today that tax reductions without concurrent cuts in federal spending would "lead inevitably to higher inflation, more unemployment and economic instability."

Dole spoke on behalf of Rep. Bob Bauman at a Maryland GOP Bull Roast in Centreville.

"Federal taxes can be substantially reduced without threatening essential government services, without imperiling our national defense and without fueling the fires of inflation," Dole said. "But tax cuts without federal spending restraint will lead inevitably to higher inflation, more unemployment and economic instability."

"For too long, the American people have seen their purchasing power dwindle, their investments destroyed, their jobs lost, and their retirement income eroded because of big government and the high taxes necessary to keep it running. It's time for government to lower the people's taxes, to throttle down fast-accelerating federal spending, and to provide private enterprise with incentives for creating new jobs for the American people."

"The best way to force government to get its fiscal house in order is to force Washington to suffer from the ravages of inflation right along with the rest of us. To do that, we should change our tax laws to automatically exclude inflation-induced increases in wages for federal taxes. So, when working men and women receive a wage boost to compensate for inflation, they won't be pushed into higher tax brackets and end up in worse shape than they were before their wage increase."

"Until government balances its budget, American families are going to have trouble balancing theirs. And that means less consumer spending, less economic activity, fewer jobs, and ultimately, less revenue for government. In the long run, nobody wins with inflation -- not government, not labor, not business, and especially not the taxpayers."