

BOB DOLE



(R - Kansas)

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DOLE: "PRIME JUMPS WHILE CONGRESS SITS"

WASHINGTON -- Senate Finance Committee Chairman Bob Dole (R-KS) today sounded the danger alarm with the news that the prime rate has jumped to 12%. Dole expressed dismay that despite the fact the Finance Committee has already completed a deficit downpayment package, Congress continues to sputter and stall on the deficit issue.

Calling for immediate action, the Kansas Senator released the following statement:

Today the prime rate jumped another one-half percentage point, from 11.5% to 12%. This is the second such increase within the past month, after a period of relative stability in interest rates since recovery began in late 1982. If Members doubted the urgency of the need to cut the deficit, they should doubt no longer.

Virtually everyone agrees that high interest rates have been the main sticking point in getting a recovery that will last, and this full-point jump in the prime rate within a month shows how tangible the threat is -- the danger is right here, right now. Yet with the fate of our economic well-being at stake, many in Congress continue to spend valuable time debating pie-in-the-sky budget plans that aren't going to happen. We need to get right down to the specifics of deficit reduction legislation, and enact the budget savings and revenue increases that have already been agreed to by legislative committees. The Finance Committee approved a \$72.5 billion deficit reduction package on March 21, partly in response to the President's call for a comprehensive \$150 billion package. Here it is the end of the first week in April and nothing more has been done.

It is time to stop haggling over fine points of procedure, time to stop waiting for every last fine point of budget procedures to be completed, and time to get the job done. The financial markets, and American workers and consumers -- not to mention our trading partners -- demand immediate action, and they have the right to expect more reassurance than they are getting from Congress that the deficit problem will be tackled. Let us provide that reassurance by moving swiftly to reach the total of \$150 billion -- or more if possible, in deficit reduction. When the prime jumps, so should Congress.