first senator to realize Walter s potential. Hired as a data entry operator, Walter started off on his long journey of service to his home State of Michigan and eventually the States of Texas and Arkansas. In 1966, Walter continued working for the State of Michigan by joining the staff of Senator Robert Griffin and spent 13 years there. By now Walter was developing a reputation for his expertise as mailroom manager. In 1979 Senator John Tower from Texas heard about Walter and offered him his next job. He continued this pattern of invaluable service to the State of Texas by going to work for Senator Lloyd Bentsen in 1984. When Bob Krueger filled Lloyd Bentsen's seat in 1992, Walter was wisely kept on staff.

In 1993, I was fortunate enough to finally get Walter Droskie on my staff. We had been hoping to catch him between Senators for a long time—he was always in demand. Walter has brought so much to my office. The mailroom has never run smoother, and Walter's wonderful disposition has won him the friendship of everyone on my staff—past and present. As he retires this year, I hope Walter Droskie realizes how much he has contributed not only to my office, but all the offices he has worked for during these past 35 years. His dedication and tireless hard work have won him the respect and gratitude of all he has known. I wish him the best during his retirement. The U.S. Senate will surely miss the many contributions of this fine man.

COMMENDING CHARLES N. QUIGLEY

Mrs. BOXER. Mr. President, I am proud to recognize Charles N. Quigley, who participated in CIVITAS at Bosnia-Herzegovina, an intensive program from July 17–27, 1996, to train local teachers in education for democracy. Mr. Quigley was part of a team of 18 American educators and 15 teachers from the Council of Europe who were assigned to key cities throughout the Federation of Bosnia-Herzegovina.

The summer training program was developed by the Center for Civic Education as part of a major education initiative in Bosnia-Herzegovina supported by the United States Information Agency and the United States Department of Education. The goals of the program are to help prepare students and their communities to participate in elections and other aspects of poltical life in emerging democracies. Achieving this goal will contribute to the reconstitution of a sense of community, cooperation, tolerance, and support for democracy and human rights in war torn areas.

I am also pleased to announce that the curricular materials used for the program in Bosnia-Herzegovina have been adapted from the ''We the People . . . the Citizen and the Constitution'' and the ''We the People . . . Project Citizen'' programs, as well as other programs supported by the Congress which are used in schools throughout the United States. Initial reports evaluating the summer program indicate the materials and teaching methods were enthusiastically received and can be adapted for use in classrooms throughout Bosnia-Herzegovina.

Mr. Quigley is the executive director of the Center for Civic Education which is located in Calabasas, CA. Mr. Quigley has traveled on four different occasions to Bosnia-Herzegovina to promote education for democracy efforts in the schools of that country.

Mr. President, I wish to commend Charles Quigley for his dedication and commitment during the CIVITAS at Bosnia-Herzegovina summer training program. His work is helping to achieve the overall objective of building support for democracy on Bosnia-Herzegovina.

TRIBUTE TO SENATOR PAUL SIMON

Mr. CONRAD. Mr. President, before the end of the 104th Congress, I wanted to take a moment to pay tribute to Senator PAUL SIMON of Illinois, who is retiring this year. PAUL SIMON is quite simply one of the most respected and honorable Members of the U.S. Senate.

Senator SIMON has been a dedicated public servant for more than 40 years. He has served in the Illinois House and Senate, as Lieutenant Governor of the State of Illinois, and in the U.S. House and Senate.

Even as he tirelessly served in public office, PAUL SIMON also found ways to pursue his second career—that of a distinguished and thoughtful writer. A former newspaperman, SIMON has written numerous books on our political process and democratic values. He still types his manuscripts out on an old manual typewriter.

Senator SIMON's top legislative priority for years has been passage of a balanced budget amendment to the Constitution. PAUL SIMON understands that the greatest threat to future generations is the Federal budget deficit and our enormous national debt. Eliminating our budget deficit is the most important thing we can do for our Nation and PAUL SIMON pursued this goal with steadfast tenacity.

I have had the privilege of serving with Senator SIMON on the Budget Committee since 1987. PAUL SIMON will be most remembered there for his efforts to restore equity between defense and nondefense spending. Senator SIMON and I also joined together last year in offering an alternative budget reconciliation measure. I was proud of that effort.

PAUL SIMON will also be remembered as a staunch supporter of education and an advocate for people with disabilities. While serving in the Illinois Legislature, he was among the first to introduce legislation to provide public education for children with disabilities. Years later he was one of the original sponsors of Public Law 94–142, the first Federal law to ensure that all children with disabilities would receive free and appropriate public education. This landmark legislation was signed in 1975.

Because of SIMON's devotion and perseverance, Congress passed the National Literacy Act, to create literacy centers and to authorize funding for adult education and literacy programs. SIMON also championed the direct college loan program, originally passed in 1991 and expanded in 1993, which made fundamental changes in our Nation's student loan program.

Although some may remember SIMON for his bowties, I will always remember his simple honesty, integrity, and character. PAUL SIMON not only remembered the bipartisanship and comity that used to be standard operating procedure in the Senate, but he continued to serve in that tradition, even as Congress changed around him.

I know Senator SIMON will be happy to return to his home in southern Illinois. He'll be heading up the Simon Public Policy Institute at southern Illinois University at Carbondale. He'll have more time for his grandchildren, more time to write. But he'll be missed in the U.S. Senate, by the people he represented and by those who knew him.

CUTTING TAXES AND BALANCING THE BUDGET—THE POSSIBLE DREAM

Mr. ABRAHAM. Mr. President, as the Presidential campaign heats up, it is clear that a central issue will be economic growth. Despite recent positive economic news, the long-term outlook is not good. Growth is slow and family incomes are down. At the same time, the tax burden on Americans is at an all-time high, squeezing families while discouraging savings and investment.

In response to this disturbing trend, Bob Dole has proposed an aggressive plan to both cut taxes and balance the budget by the year 2002. The goal of the plan is to spur economic growth by reducing both the size and tax burden of the Federal Government. Its centerpiece is a 15-percent, across-the-board income-tax cut designed to lower taxes on families and small businesses while spurring job creation and investment. The Dole plan would also provide families with a $500 per child tax credit, improved IRA's, and lower taxes on capital gains. For a typical family earning $30,000, his plan would allow them to keep an additional $1,261 per year, enough to pay tuition to a private school, move into a better neighborhood, or save for an early retirement.

People like the idea of a tax cut, but they wonder how it can be done without increasing the Federal budget deficit or gutting essential Federal programs. In a recent radio address, President Clinton sounded that theme, attacking Bob Dole's plan by arguing that the tax cut is too big and asserting that Dole has failed to explain how we can pass them without ballooning the deficit. Neither claim is accurate.

First, Bob Dole's tax cuts are an appropriate and necessary response to the record tax burdens American families currently face. Following President Clinton's World's Largest Tax Increase of 1993, the Federal tax burden has risen to 20.5 percent of GDP—its second highest level ever. Meanwhile, the combination of Federal, State, and local taxes now consumes more than 38 cents out of every dollar the family earns.

The Dole tax cut would help relieve this burden by reducing taxes across the board while targeting additional tax relief toward families with children. Fully implemented, the Dole tax cut would reduce the tax burden back to where it was before Bill Clinton began raising taxes in 1993. That's hardly an excessive goal.

The second objection to Bob Dole's tax cut proposal is that it will cause the deficit to balloon. That is the issue upon which I want to focus today. Far from being vague and irresponsible, the Dole tax cuts are in fact both detailed and well within the ability of Congress to carry out.

Under the Dole plan, cutting taxes on families and small businesses would reduce Federal revenues by $548 billion over the next 6 years. How does the Dole plan offset these cuts while balancing the budget? First, it slows the growth of the Federal Government over the next 6 years. Second, it encourages economic growth to help offset a portion of these tax cuts.

Let me begin with slowing the growth of Government. The Dole plan builds upon the comprehensive balanced budget resolution Congress adopted in June. That resolution calls for reducing the growth of spending by $393 billion over the next 6 years, including the phase-out of farm support payments, welfare overhaul, and Federal prison reform.

On top of the balanced budget resolution, the Dole plan proposes savings of an additional $217 billion over 6 years, targeting wasteful programs like the departments of Commerce and Energy and reducing Government overhead.

Mr. President, there has been much criticism and misinformation regarding these proposed savings. I have seen reports from several outside groups, both conservative and liberal, who claim these savings would literally gut whole portions of the Federal Government. This is completely false.

First of all, in the spending restraints assumed in the Dole plan beyond those contained in the balanced budget resolution, Bob Dole has made it clear that they will not come from reductions to Social Security, Medicare, or Defense. Those programs are off-limits. Under the Dole plan, Medicare spending would increase by 44 percent between 1996 and 2002—a 6.2 percent growth rate, or more than two times the rate of inflation. Spending would increase from $5,200 per beneficiary in 1996 to $7,000 in 2002.

Subtracting Social Security, Medicare, Defense, and interest expenses from total Federal spending over the next 6 years leaves $3.9 trillion eligible for savings under the Dole plan. Contrary to those groups that have portrayed this proposal as unreasonable, the Dole plan proposes to reduce this amount by just 5 percent—5 cents on the dollar.

Let's look at it on a year-by-year basis. Projected Federal spending next year is $1642 billion—or $70 billion more than we expect to spend this year. Under the Dole plan, Government spending would continue to grow, but by $37 billion instead.

Let's compare the Dole plan to President Clinton's own recommendation. Whereas President Clinton would allow Government spending to grow by 20 percent over the next 6 years, the Dole plan would hold spending growth to 14 percent—or about 2 percent per year. In other words, limiting spending growth to 2 percent per year will produce the savings necessary to cut taxes and balance the budget.

Is holding the growth of Government spending to 2 percent per year reasonable? Absolutely.

Under Republican leadership—and with no help from congressional Democrats or President Clinton—Congress has successfully reduced the growth of Federal spending over the last 2 years by $53 billion, or about $26 billion per year. Moreover, just this summer, we enacted a comprehensive welfare reform measure. In other words Mr. President, in response to those who claim the Dole economic plan's spending savings are too severe, I would point out that we have already succeeded in reducing the growth of Government by similar amounts. The Earth didn't stop rotating. The Sun hasn't stopped shining. And in the process, we have made the Government more efficient and more responsive to the wishes of the American voters.

In addition to slowing the growth of government, the Dole plan also assumes that his pro-growth tax cuts will produce enough extra economic activity to offset 27 percent of their cost—$147 billion over 6 years. And just as we have seen with the budget savings, this assumption has been the focus of numerous criticisms from various groups. Mr. President, contrary to what some have said, assuming additional revenues from economic growth—or revenue feedback as it is called—has a long and credible history on both sides of the political aisle.

In 1982, the Congressional Budget Office found that "between roughly one-tenth and two-tenths of the static revenue loss" from an across the board tax cut would be recouped through revenue feedback during the first year. In later years, the CBO estimated that between one-third and one-half would be recouped in later years.

More recently, Clinton's Trade Representative Mickey Kantor told the House Ways and Means Committee that reductions in American tariffs would more than pay for themselves through increased exports and jobs.

And just this summer, Lawrence Chimerine, chief economist for the liberal Economic Strategy Institute argued in the Washington Post that "credible evidence overwhelmingly indicates that revenue feedback from tax cuts" could be as high as 35 percent.

For those who are unimpressed with the estimates of economists and accountants, let me give two examples of how this feedback effect puts real dollars in the pockets of both American families and Uncle Sam. In 1981, the tax burden was at a similar record high as it is today. In response, newly elected President Ronald Reagan cut tax rates across the board by 25 percent. Mr Reagan could have cut taxes in any number of ways, but he chose reducing marginal rates because he understood—as does Bob Dole—that cutting marginal rates encourages people to work harder, save more, and invest in economic growth and job creation.

The Reagan tax cut worked. In 1984, real GDP growth reached 6.8 percent—the highest single year growth since 1951. In President Reagan's second term, growth averaged 3.4 percent per year—well above the anemic 2.5 percent growth we have seen under President Clinton.

How did these tax cuts affect families. In addition to lowering their overall tax burden, the tax cuts of 1981 helped save family incomes from declining, as they had under President Carter. Instead, median family incomes grew 1.7 percent per year under Reagan, putting an additional $4,000 in the typical families pockets every year.

Mr. Reagan was not the only President to recognize the growth potential of reducing marginal tax rates. In 1962, John Kennedy was also adamant about cutting marginal tax rates. When he announced his tax cut plan in 1962, he explained his thinking with the following words: "I am not talking about a 'quickie' or a temporary tax cut, which would be more appropriate if a recession were imminent. . . . I am talking about the accumulated evidence of the last 5 years that our present tax system, developed as it was, during World War II to restrain growth, exerts too heavy a drag on growth in peacetime; that it reduces the financial incentives for personal effort, investment, and risk-taking."

The Kennedy tax rate cut proved to be one for the greatest economic successes of the postwar era. Real GDP growth jumped to 5.8 percent in 1964 and to 6.4 percent in 1965 and 1966. Today, the media calls growth rates half that size a surge.

Clearly there is a consensus that a tax cut like Bob Dole's will partially pay for itself through income revenue growth. As Nobel laureate Professor

Gary Becker put it, the revenue feedback effect is ''basically Econ. 101. Investors and workers in the economy respond in an important way to incentives, including tax incentives.'' Becker then points out that, if the Dole plan increases GDP growth from its current 2.3 to 3.5 percent over 6 years, the income growth effect will be ''far in excess of $147 billion. It would be more like $200 billion.''

Mr. President, I have a list of over 100 prominent economists, including four Nobel Laureates, who share Dr. Becker's support of cutting taxes and balancing the budget. These economists are from all over the country, but they have one thing in common—faith in the American family and the ability of the American economy to grow faster than 2 percent per year. By cutting marginal tax rates and allowing families to keep more of what they earn—so they can spend it on their priorities rather than Congresses—the Dole plan will help the economy grow faster, resulting in more jobs, more opportunity, and a higher standard of living for everyone.

How do we offset the tax cuts? We restrain the growth of Government. By limiting the future growth of Federal spending to 2 percent per year, we can reduce income tax rates by 15 percent for every taxpayer, provide a $500 per child tax credit for middle-class families, and cut the capital gains tax rate in half—all while balancing the budget in 2002. The Dole plan is the possible dream that will result in a smaller, more efficient Government that allows families to keep more of what they earn, so they can spend it on their priorities rather than Washington's.

Mr. President, I ask unanimous consent that the list of economists be printed in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

STATEMENT IN SUPPORT OF BOB DOLE'S PLAN FOR ECONOMIC GROWTH

''This is an excellent economic program.''—Milton Friedman, Nobel Laureate.

''The Dole Economic Growth Plan is much superior to the Clinton do-nothing alternative.''—James M. Buchanan, Nobel Laureate.

''Senator Dole's plan . . . can raise the growth rate of the economy to well over 3 percent per year.''—Gary Becker, Nobel Laureate.

''The Dole-Kemp program makes real economic sense at this time.''—Merton H. Miller, Nobel Laureate.

Slow economic growth is America's number one economic problem. Bob Dole's plan for Economic Growth, ''Restoring the American Dream,'' is a bold, doable plan that addresses this problem. By lowering marginal income tax rates and reducing disincentives to save and invest—first steps to a fundamentally lower, flatter, simpler and more savings-encouraging tax system, balancing the budget through a reduction in the growth of government spending, reforming our education and job training system, and cutting back government regulation and eliminating litigation excesses,

the plan will significantly increase economic growth, raise real wages, and provide greater opportunities for all Americans.

The numbers in Bob Dole's year-by-year strategy to both reduce taxes and balance the budget are credible, including: the baseline revenue projections; the income growth effect, a simple implication of elementary economics through which the economic growth plan changes incentives, raises taxable income, and thereby offsets part of the revenue loss of the tax cuts as described by the plan; the planned budgetary savings achieved by reducing the growth of government spending.

Bob Dole's plan is far superior to the approach of the Clinton Administration, during which productivity growth has slowed to a historic low and real wages have stagnated.

Signed,

Annelise Anderson, Hoover Institution; Martin Anderson, Hoover Institution; Wayne Angell, Bear Stearns, Fmr Governor of Federal Reserve Board.

Bruce Bartlett, National Center for Policy Analysis; Ben Bernanke, Princeton University; Michael Boskin, Stanford University, Fmr Chair, Council of Econ Advisers; David Bradford, Princeton University; Stuart Butler, Heritage Foundation; Richard C.K. Burdekin, Claremont McKenna College.

Phillip D. Cagan, Columbia University; W. Glenn Campbell, Hoover Institution; John Cogan, Hoover Institution.

Carl Dahlman, Rand Corporation; Michael Darby, University of California at Los Angeles; Christopher DeMuh, American Enterprise Institute; Rimmer de Bries, J.P. Morgan; Thomas DiLorenzo, Loyola College in Maryland.

Martin Eichenbaum, Northwestern University; Stephen Entin, Former Deputy Assistant, Secretary of Treasury; Paul Evans, Ohio State University.

David Fand, George Mason University; Martin Feldstein, Harvard University, Former Chair, Council Econ Advisers; Diana Furchtgott-Roth, American Enterprise Institute.

Lowell Gallaway, Ohio University; Robert Genetski, Chicago Capital, Inc. John Goodman, National Center for Policy Analysts; Wendy Lee Gramm, Former Chair of the Commodity, Futures Trading Commission.

Robert Hahn, American Enterprise Institute; C. Lowell Harriss, Columbia University; H. Robert Heller, Fair, Isaac and Co., Fmr. Governor of Federal Reserve Board; David Henderson, Naval Post-Graduate School; Jack Hirshleifer, University of California at Los Angeles; Lee Hoskins, Huntington Nat. Bank, Fmr. President of the Federal Reserve, Cleveland; R. Glenn Hubbard, Columbia University; Lawrence Hunter, Empower America.

Manual H. Johnson, Johnson-Smick International, Fmr. Vice Chair of the Federal Reserve.

Raymond Keating, Small Business Survival Committee; Robert Keleher, Johnson-Smick International; Michael Keran, Sea Bridge Capital Management; Robert G. King, University of Virginia; Michael M. Knetter, Dartmouth College; Melvyn B. Krauss, New York University; Anne Krueger, Stanford University.

Lawrence Lau, Stanford University; Edward Leazar, Stanford University; James R. Lothian, Fordham University; Mickey D. Levy, NationsBanc Capital Markets.

Paul MacAvoy, Yale University; John Makin, American Enterprise Institute; Burton Malkiel, Princeton University; David Malpass, Bear Stearns; N. Gregory Mankiw, Harvard University; Dee T. Martin, Eastern New Mexico University; Bennett McCallum, Carnegie-Mellon University; Paul McCracken, University of Michigan, Fmr. Vice Chair, Council Econ Advisers; David Meiselman, Virginia Polytechnic Institute; Allan Meltzner, Carnegie-Mellon University; Michael Melvin, Arizona State University; Daniel J. Mitchell, Heritage Foundation; Thomas G. Moore, Hoover Institute; David Mullins, Long-Term Capital Management, Fmr. Vice Chair, Federal Reserve.

Charles Nelson, University of Washington; Charles Plosser, University of Rochester; Steve Pejovich, Texas A&M University; William Poole, Brown University.

Richard Rahn, Novecorr; John Raisan, Hoover Institute; Ralph Reiland, Robert Morris College; Alan Reynolds, Hudson Institute; Morgan O. Reynolds, Texas A&M University; Rita Ricardo-Campbell, Hoover Institute; Richard Roll, University of California at Los Angeles; Robert Rosanna, Wayne State University; Harvey Rosen, Princeton University; Sherwin Rosen, University of Chicago; Timothy Roth, University of Texas at El Paso.

Thomas Saving, University Texas at A&M University; Anna J. Schwartz, National Bureau of Economic Research; John J. Seater, North Carolina State University; Judy Shelton, Empower America; Myron Scholes, Long-term Capital Management; George Schultz, Fmr. Secretary of State, Treasury and Labor, Former Director of OMB; John Silvia, Zurich Kemper Investments; Clifford Smith, University Rochester; Vernon L. Smith, University of Rochester; Ezra Solomon, Stanford University; Beryl W. Sprinkel, Fmr. Chair, Council Economic Advisors; Alan Stockman, University of Rochester; Richard Stroup, Montana University; W.C. Stubblebine, Claremont McKenna College; James Sweeney, Stanford University.

John B. Taylor, Stanford University; Robert Tollison, George Mason University; Gordon Tullock, University of Arizona; Norman Ture, Inst. for Research on Economics and Taxation.

Ronald Utt, Heritage Foundation.

Richard Vedder, Ohio University; Karen Vaughn, George Mason University; J. Antonio Villanio, The Washington Economics Group.

W. Allen Wallis, University of Rochester; Murray Weidenbaum, Fmr. Chair, Council of Econ. Advisers; Charles Wolf, Rand Graduate School.

SENATOR CLAIBORNE PELL

Mr. CONRAD. Mr. President, with the adjournment of the 104th Congress, the Senate will lose one of its most respected and accomplished members, Senator CLAIBORNE PELL.

For a period that spans more than three decades, Senator PELL has served Rhode Islanders and the Nation in the finest tradition of our elected civil servants. His accomplishments since coming to the Senate in 1961 are extraordinary; particularly in the areas of the arts and humanities, environmental protection, foreign affairs, human rights, and education. He has without question touched and improved the lives of every American family.

Early in his Senate career, Senator PELL was the principal architect of the 1965 law establishing the National Endowment for the Arts and the National Endowment for the Humanities. One year later, he authored the National Sea Grant College Act, legislation to encourage the careful use of our resources from the sea, and to establish marine sciences programs at universities across the country.