

off employees because of this bill. Restaurants are already having new menus printed up with higher prices. Jobs will not be available for young and entry-level workers, because some employers simply will no longer be able to afford them when the government arbitrarily raises the price of their labor.

Some have suggested that the economic impact of such an increase is "negligible." But it's not negligible for each American who loses his or her job as a result. In many cases, the job lost would be the most important one that person will ever have—his or her first job.

In recent years, small businesses have created every net new job in this country. They take the risks of hiring and training new workers. They do not have the economies of scale of large businesses and suffer a disproportionate impact from government regulation. They tend to be labor-intensive. If you drive up the costs of their labor, they will be forced to create fewer jobs.

In fact, 77 percent of the economists who responded to a survey of the American Economics Association agreed that, by itself, a higher mandated minimum wage would have a negative impact on employment.

Obviously, that negative impact is going to fall on workers at or near the minimum wage, and especially those who are the least-skilled and need an entry-level job the most.

Realistically, the federal minimum wage today already is a training wage. The average minimum wage worker is earning \$6.06 an hour after one year.

In most work places, at every level of compensation, it is common for a new employee to be paid more after a few months. That is because there is almost always a learning curve, during which the employer is investing time, energy, and money in training and acclimating the new employee. The opportunity wage in this amendment simply reflects that reality of labor economics.

Mr. President, I do want to emphasize that I support the tax title of this bill. I particularly want to express my support and appreciation for several of these provisions, including:

The Shelby-Craig adoption tax credit; enactment of this credit is compassionate, pro-family, pro-children, and long overdue; increasing the availability of Individual Retirement Accounts for spouses working in the home as homemakers; revising and extending the Work Opportunity Tax Credit, which will help employers hire and retain disadvantaged employees; restoring and extending the tax exclusion for employer-provided educational assistance; making S corporation rules more flexible; providing fairer treatment for dues paid to agricultural or horticultural organizations; improving depreciation and expensing rules for small businesses.

I also commend the conferees for accepting the House's provision restoring and making permanent the exclusion

from FUTA—the Federal Unemployment Tax—for labor performed by a temporary, legal, immigrant agricultural worker. Such employees are ineligible for FUTA benefits that are financed by this tax. Therefore, this tax is imposed on employers for no reason, except that the previous exclusion simply expired.

I have supported these provisions consistently in the past and commend the Finance Committee for including them in this bill.

I do want to express one note of concern. This bill would extend the Research and Experimentation Tax Credit, but with an early sunset—May 31, 1997—and without making it available for investments made after it last expired and before July 1, 1996.

The R and E Credit is one of those "extenders" that keep expiring and keep getting renewed. As a matter of fairness, most, if not all, of these extenders simply should be made permanent, or at least extended for a longer period of time. Several times in the past, these provisions have been renewed retroactively, but that is not the case of the R and E Credit this year.

This stop-and-start approach to tax law undoes much of the good intended by these tax incentive provisions. We need to provide taxpayers with greater predictability in the Tax Code if we want to be effective in helping them invest and create jobs.

Overall, the tax title provisions in this bill are valuable and beneficial. I commend the Chairman and Members of the Finance Committee for their work.

We should be passing laws that boost the economy, increase opportunity and create jobs. We can and should do better than passing a bill that gives with one hand and takes away with the other. Therefore, although there are good provisions in this bill, I must cast a nay vote today.

#### MORNING BUSINESS

#### THE PRESIDENT'S "TRAVELGATE" 180

Mr. GRASSLEY. Mr. President, yesterday's display by the President of the United States, snapping at reporters' questions about the Billy Dale bill, says a lot to me.

First, it tells me the President has once again gone back on his word. This is not a surprise. It has happened so often with this President. And to be fair to him, he is certainly not the first politician that has gone back on his word, from either party.

Yet, this President has championed the little guy. He came to town declaring war against all the wrongs resulting from the Washington political culture. Then, his own White House committed such a wrong.

Initially, the President did the right thing. He said his staff had made a mis-

take. They had handled the matter wrong. Their display of cronyism and favoritism was at the expense of the careers and reputations of seven dedicated public servants and their families.

All the while, the President's staff was waging war against the character of these seven. It's also known as character assassination. After that, the White House launched the IRS and the FBI to harass them, as if to justify the staff's wrongdoing.

Then, they sent the Justice Department out to prosecute them. They had the full force of the Federal Government out after these seven public servants and their families.

The case went to trial. And it took no time at all for a jury to acquit Billy Dale. That is how trumped up the charges were. A jury had no problem seeing that.

Clearly, the White House drove Mr. Dale and the others right out of town with no justification. It was pure, naked politics, cronyism and favoritism. And when a White House uses the powers and resources of the Nation's No. 1 law enforcement agency, the Nation's tax collecting agency—which also happens to be the No. 1 harassment agency—and the Nation's No. 1 prosecution department, against innocent workers and their families, try telling the public that's not grotesquely wrong.

And that is why Congress moved to reimburse Mr. Dale and the others for their legal expenses.

Even the President, after the acquittal, said he regretted what Mr. Dale had to go through. But the President has now decided that the right move is to reverse himself and defend what his staff did to these seven families. He defends zealous White House staffers using the full powers and resources of the Federal Government to harass innocent people. He lines up on the side of politics, cronyism and favoritism. He fails to right a wrong that was perpetrated by the Washington culture of politics.

The President did another reversal as well. After the acquittal, the President's personal attorney, Robert Bennett, issued an inappropriate and sour-grapes response. Mr. Bennett improperly discussed in public a confidential matter involving a plea agreement he alleged Billy Dale's attorney offered. Billy Dale denies the allegation.

Upon Mr. Bennett discussing confidential information, the White House rightly said Mr. Bennett had stepped over the line. His comments were objectionable and improper. The reason is, plea negotiations are confidential. Rules exist to protect that confidentiality. Mr. Bennett may have violated the intent of those rules. And so the White House admonished him.

It turns out, Mr. President, that the plea agreement issue came up again yesterday. In public. Notwithstanding the rules of confidentiality.

But this time, the White House didn't issue a statement of admonishment.

That's because it was discussed by none other than the President himself. The President of the United States is discussing confidential information in the public arena. And in the process, he's doing exactly the same thing that his office had admonished the President's attorney for doing earlier this year.

So here is what we have learned from the President's skirmish yesterday with reporters. First, he has now done a U-turn and allowed himself to get caught up in the mean-spirited attitude of his zealous political staff. Second, he has allowed himself to stoop to the level of the leakers and character assassins by discussing confidential information. Is this behavior befitting of what is expected of the President of the United States?

At the same time, the President has not kept his eye on the central issue—the clear need to right the wrong perpetrated by zealous White House agents.

Mr. President, this Travelgate issue is marked by a curious but telling phenomenon. At the beginning, the President was saying one thing, but the government he runs was doing the opposite. Obviously, we don't want or expect this in a Presidency. You want the President to say one thing, and have those in his control do that one thing, too. You want uniformity. You want the "saying" and the "doing" to be one and the same.

But there is another variable in the equation. In the Travelgate matter, the President's words reflected the right thing, and his staff's deeds reflected the wrong thing. So the President, in seeking uniformity, made the wrong choice. Instead of making his administration conform to his admirable utterances, he went native with the wrong side. That is why he is now attacking Billy Dale like his attorney did; and that is why he has suddenly decided he will not sign the bill.

Mr. President, this episode shows that the President has failed to uphold the principle of justice, fairness, and right vs. wrong in this matter. The test of any leader is to view his actions on matters that happen in his own back yard, or which affect him personally. [This is one such matter.] And to me, the President has failed that test of leadership.

By not doing the right thing—and in fact, by now joining the wrong side in the campaign to assassinate one's character—he has undercut his own moral authority as a leader. He has abdicated his responsibility to see that justice was done for seven of his own former employees and their families. He has abandoned his commitment to stand up for the little guy. In a sense—it is okay to stand up for all these high and mighty principles—jut not in my back yard.

And that is why, Mr. President, the President's about face in the Billy Dale matter is disappointing to me. And it tells me much about his leadership capacity.

I yield the floor.

#### TRIBUTE TO REAR ADM. ROBERT J. NATTER, U.S. NAVY CHIEF OF LEGISLATIVE AFFAIRS

Mr. LOTT. Mr. President, I take this opportunity to recognize and say farewell to an outstanding Naval officer and dear friend, Rear Adm. Robert J. Natter, who has served with distinction for the past 33 months as the Navy's Chief of Legislative Affairs. It is a privilege for me to recognize his many outstanding achievements and commend him for the superb service he has provided this legislative body, the Navy and our great Nation.

A native of Trussville, AL, Admiral Natter comes from a patriotic family of seven boys and two girls that has contributed immeasurably to our Nation's defense. All seven boys have served as commissioned officers in our Armed Forces—six in the Navy and one in the Air Force. Four graduated from the U.S. Naval Academy, one was commissioned through Navy Reserve Officer Training Corps, and one attended Officer Candidate School. Two are currently Navy admirals. I salute this family who has served our Nation so well.

Admiral Natter enlisted in the Naval Reserve at the age of 17 as a seaman recruit. Following 1 year of enlisted service and 4 years at the Naval Academy, he was graduated and commissioned an Ensign in June 1967.

Admiral Natter's service at sea includes department head tours in a Coastal Minesweeper and Frigate, and Executive Officer tours in two Amphibious Tank Landing Ships and a Spruance Destroyer. He distinguished himself in combat as Officer-in-Charge of a Naval Special Warfare detachment in Vietnam. He later commanded the guided missile destroyer U.S.S. *Chandler* and guided missile cruiser U.S.S. *Antietam*. He has been the recipient of many awards and commendations including the Silver Star and Purple Heart.

As the Navy's Chief of Legislative Affairs, Admiral Natter has provided timely support and accurate information on Navy plans and programs. Working closely with the United States Congress, he helped maintain the best-trained, best-equipped, and best prepared Navy in the world. His strong leadership provided a legacy of innovative, affordable and technologically superior naval systems and platforms for those who will serve in the Navy decades after he steps down as the Chief of Legislative Affairs. His consummate leadership, integrity, and tireless energy serve as an example for us all.

Mr. President, Bob Natter, his wife Claudia, and daughters Kelly, Kendall, and Courtney have made many sacrifices during his 30-year naval career. They have made significant contributions to the outstanding naval forces upon which our country relies so heavily. Admiral Natter is a great credit to

both the Navy and the country he so proudly serves. As this highly decorated combat veteran now departs to take command of the United States Seventh Fleet, I call upon my colleagues from both sides of the aisle to wish him fair winds and following seas. He is a sailor's sailor.

#### TRIBUTE TO JOHN WAYNE

Mr. THURMOND. Mr. President, John Wayne, "The Duke". The mere name evokes in people around the world powerful images and fond recollections of the late actor and great American. Though he has been gone for 17 years, his spirit clearly lives on through his many movies and in the minds of his millions of fans. On August 17th, hundreds of people who admire this great man will gather in Los Angeles, CA to pay tribute to an individual who is a legend and an institution.

Americans are a tough lot. We are a nation that was founded by men and women of great courage, strength, and morals. It took tough and determined people to win our independence from the British; to fight for the cause of the Confederacy or the Union; to tame the wild west; to twice lead the world to victory in two vicious global wars; and, to have led the fight against forces bent on subjugating the freedom loving people of the world under the corrupt doctrine of godless Communists. Americans are individuals who admire self-reliance, honesty, and fairness, and without question, John Wayne was someone who personified these traits as a man, and who brought these qualities to the silver screen through his prolific career as an actor, director, and producer.

In countless movies, John Wayne portrayed mythic figures of American lore. Characters that included cowboys, lawmen, soldiers, sailors, and marines in films such as "Stagecoach," "The Sands of Iwo Jima," "The Fighting Seabees," "The Shootist," "The Green Berets," "True Grit," and dozens of other titles that soon became classics. It was impossible not to admire John Wayne and the roles he played for they all embodied the ideals that Americans hold dear. Moviegoers knew that if "The Duke" took a swing at someone, they deserved it, or if John Wayne fired a weapon, it was only to protect the life of an innocent person, to uphold the law, or to help defend the Nation. The characters John Wayne played were decent men committed to doing what is honorable and just, and for those reasons, he will be remembered as a American icon for many generations to come.

Mr. President, the United States is a nation that is made up of men and women who labor tirelessly to make our county a better place. Few people think about the police officers and firefighters who put their lives on the line, or the tens of thousands of service members spread around the world protecting American security, or the