

THE LIE:

Phil Gramm can be trusted on TAXES & GATT.

WRONG!

By Congressman Bill Dannemeyer (1979-1992), with service on the House Budget Committee.

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Senator Phil Gramm and I came to the House of Representatives in 1979, he as a Democrat from Texas and myself a Republican from California.

We served together on the House Commerce Committee so I got to know him quite well.

He is an able man and a conservative. Compromise is part of the legislative process. Knowing when to stand firm, or when to cut a deal is not always easy to define. Sometimes hindsight is better than foresight.

Gramm changed to a Republican early in the decade of the 80's and was elected to the U.S. Senate.

One of the major battles of our careers in Congress took place in 1986.

Gramm was the principal sponsor of the Gramm Rudmann Hollings deficit reduction act of 1986. It did a lot of things. It lowered marginal tax rates for income taxes but raised capital gains taxes. It also called for a restraint on the growth of federal spending and a balanced budget by 1991. It had some real teeth in it.

In the summer of 1990, this 1986 act called for a reduction in the projected

increase of federal spending for fiscal year 1991 of about \$50 Billion. (Spending for 1991 actually ended up increasing \$71 Billion over 1990).

The spenders who controlled Congress could not bring themselves to accept this restraint on spending growth and so they fumbled around for a plan to gut the 1986 law without wanting to be identified for having done so.

The plan they developed was to save the republic by reducing the projected deficit by \$500 Billion over the ensuing years and the Democrats who controlled Congress insisted that a tax increase be a part of the package. The package incidentally gutted the 1986 law. President Bush signed on to the plan raising taxes, breaking his pledge not to do so, and thus ended his chance for re-election.

What has all this to do with Phil Gramm?

Everything.

Gramm was in on the formation of the package as a negotiator from the outset. Rather than insisting from the beginning that there would be no tax increase, he went along with the program. Only at the last minute did he vote against it in the Senate after he came to realize the tremendous opposition to it from the Republican side.

The reality is that the 1990 Deficit Reduction Act was a fraud on the American people. It gutted the 1986 law Gramm had sponsored calling for a balanced budget by 1991. The 1990 act postponed getting a balanced budget to 1995.

Incidentally, we added \$281 Billion to the national debt in 1995.

Sixty percent of the House Republicans voted against the 1990 act and I am proud to say I was among them.

The major distinction between Democrats and Republicans on economic issues in the decade of the 90's is that you

can always count on Democrats to raise taxes and oppose reducing them.

Republicans want to lower taxes and oppose increases. In the Clinton Tax Increase of 1993, every Republican in the House and Senate voted against the increase.

When Phil Gramm helped develop the Tax Increase plan of 1990, he showed he can not be trusted to stand firm on the major issue of our day, namely, limiting the size and growth of government by limiting taxes flowing to government coffers.

Compromise is a part of the legislative process but certain principles are not negotiable and our leaders need to understand this at their peril. One such principle is that we Americans are not under taxed.

We will never get to a balanced budget by raising taxes. Phil Gramm knew that in 1986 and 1990.

Gramm also voted for GATT twice. On 11/29/94 the LA Times had this to say about Gramm's GATT votes; "Gramm's decision was especially significant because he said that he would vote yes on the most critical issue: a waiver of the Senate's budget rules, which require 60 votes."

A budget wavier is when there is a reduction in revenue without any increases to offset it. Some advocates of the trade accord had feared that Gramm might declare his support for the agreement but vote against the budget waiver. The budget waiver is necessary because the trade agreement calls for deep reductions in import tariffs, potentially reducing federal revenues by \$30 billion to \$40 billion over 10 years.

Despite that, the Clinton Administration has not proposed any offsetting tax and revenue increases to finance those cuts, meaning that the budget deficit would be allowed to grow in violation of budget rules." By reducing the tariffs without including spending

reductions, the deficit was increased. By the way Bob Dole voted for this also.

Judge office holders not by what they say but by what they do. ⚡

THE LIE:

Bob Dole will be a good President.

WRONG!

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Senator Bob Dole has a voting record on just about every issue. He has had his fingerprints on every Republican tax increase in recent vintage (1982, 84, 87 and 90). He worked hand in glove with George McGovern to expand the food stamp program and other forms of federal welfare.

Bob Dole's Chief of Staff, Sheila Burke, is considered by Conservatives to be a liberal feminist. If Dole is elected President, she will likely be his White House Chief of Staff.

The great disaster of the Bush Administration was Richard Darman, the head of the Office of Management and Budget.

It was Darman who helped develop the tax increase of 1990 which George Bush then adopted, breaking his pledge to the American people.

The last thing America needs is a liberal feminist serving as the gate-keeper for a Dole Presidency. She will just cut out of the loop any member of Congress who wants to reduce the size and scope of the federal government, just like Richard Darman did for George Bush. ⚡