

Chapter 3:

Monetary and Fiscal Policy

Taxation

Gore Bush

Trade Policy

Gore Bush

Budget Surplus/Deficit

Gore Bush



IN THEIR OWN WORDS
SOURCEBOOK FOR THE 2000 PRESIDENTIAL ELECTION

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Taxation - Gore

Al Gore

New York Historical Society

New York, New York

June 13, 2000

Targeted Tax Cut

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Today, as the size of that surplus begins to come into view, I want to give you an outline of exactly what my plan is, and talk about the principles - moral and material - that will be my guide.

First and foremost, discipline. We have to do the right thing - because we can never go back to the days when we spent money we just didn't have.

Having the discipline not to run deficits isn't just materially wise, it is also morally wise. Living debt-free is an expression of our guiding American ideals of independence, self-reliance, being as good as our word.

If you stand with me, we will have a balanced budget every single year, and targeted tax cuts that we can afford.

Every proposal I have made in this campaign - every proposal I will make -- fits within a balanced budget that lets us save Social Security and Medicare, and also pays down our national debt every single year.

If we do things right, then we can give middle class families the tax cuts they need to put their own values into action. I am calling for the right kind of tax relief - tax cuts that are specially targeted to help those who need them the most. Tax cuts to let families live their values -- to help you save for college, pay for health insurance, and build additional

security for your retirement. And an elimination of the current marriage penalty for working couples, which penalizes commitment to spouse and family, by forcing these couples to pay more in taxes just because they're married.

Here is what I will not do: I won't be profligate with your money. I won't spend money that we don't yet have on a huge tax cut our economy can't afford, in ways that could end our prosperity and progress.

Remember the children's tale of the goose that laid golden eggs? The moral was one every child can understand: when something works well, don't destroy it.

That same moral applies to our economy. Bad choices in a single year or a single budget could put prosperity beyond our reach again for a decade or more.

Discipline has been essential to the prosperity we have today. The wealth of the American spirit, embodied in a dynamic new economy, is what I call real wealth. That's what works. And that is how a Gore administration will work from January of 2001 on.

...

Al Gore

Cincinnati, Ohio

June 15, 2000

Tax Relief Plan for Middle Class Families

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So what should we do to ensure that we have progress and prosperity? We should not pretend that decisions concerning the surplus are any less important than the decisions concerning the deficit years ago. Both sets of decisions are equally important in determining whether or not we have progress and...

And we have a clear choice to make. One side says, let's take that entire surplus and spend a trillion dollars to privatize Social Security, and almost \$2 trillion on a huge tax plan that mainly goes to the upper brackets and not even start—you don't even have to start calculating the extra spending proposals over there before you see that we're right back into deficits again. The one big problem with that choice would be that if we immediately stop paying down the debt and instead go back into deficits, that could ensure that the prosperity and progress ends and we don't ever see these big surpluses.

If we make the other choice, we can keep going. And the choice I'm recommending is based on solid values. First of all, discipline: balance the budget every year, pay down the debt every year. That builds confidence in our economy policies, it keeps interest rates lower than they would otherwise be, and keeps economic growth roaring along.

Secondly, conscience: Do the right thing. We need to make sure that our children and our seniors are given the care and the treatment that they need, and decency. We have got to make sure that Social Security and Medicare are not threatened or privatized or taken away or

weakened.

And boldness, because we've got to take on the new challenges of improving our schools dramatically, improving our health care system, taking advantage of the new research opportunities that can find cures for a lot of the diseases that have been so horrible for so long; to take on the environmental challenges as well.

And I'm going to be talking about each of these subjects over the next three weeks. But today I want to talk about targeted tax cuts because I believe that with these larger surpluses, the targeted tax cuts that I have previously recommended can be more robust.

And I am proposing here today and announcing today a plan of targeted tax cuts for middle income families that, over the next 10 years, will total \$500 billion, a half a trillion dollars. Now, one of the elements will be a savings plan for tax-free savings account on top of Social Security. And the details of that proposal and the formal announcement of that proposal will come next Tuesday.

Today, I want to talk about all of the other tax cuts that I'm proposing, and I want to talk about what they mean to people who have specific objectives that are important to their families. One of them is, I want to eliminate the marriage penalty for working couples. We are going to talk to a working couple about that marriage penalty in just a short time.

Then I want to have a child care tax credit so that those who have children, whether a single parent or whether married couple, will get the help they need to get high quality child care. This proposal will also give a tax cut to parents who choose to stay home with their babies longer after birth. If that's the choice they make, then they ought not be penalized for it. But if both parents have to go into the workforce or choose to go into the workforce, they should have better, affordable child

care available, and childcare ought to be focused more on learning opportunities.

Third, I am going to talk about long-term care because I am part of a generation that has—is the first generation with more parents than children. Smaller families on average now, now we are not talking about the Catanzaro (ph) family here or the Gore family. We have got only four children, but that's big by today's standards. But the average family has two kids or less now. And with our parents and grandparents living longer, the medical expenses for the seniors in a family outdo the expenses for children now.

And so I am proposing tax relief for long-term care and for health care that is provided to family members who have a condition like Alzheimer's or Lou Gehrig's disease, or some of the other conditions that require families to get a little help with the expenses and the burdens that they carry.

Now, also, those with children are naturally thinking about child care, I mean tuition expenses, and families that are looking forward to having more than one child in college at the same time, well, what do you do? You got to rely overly much on the student loans or get some other source of help. I believe that middle income families need some tax relief to help them save for college tax free and inflation free with a national tuition savings plan that makes it possible to save up a college tuition for each child, ready for use by the time that child is ready to go to college. We'll talk about a family that is facing that situation.

And then, finally, what about small business operators who want to provide health insurance for their employees? The Catanzaros do. This is getting a little bit almost out of the small business category now with your new facility we're going to call you one of the—I don't know—giant corporations maybe.

Long way to go? What do you got 125 employees? All of them get health insurance. But we have a smaller business represented here, literally, a mom and pop operation that has got four other employees, and in today's tight job market, you have got to go an extra mile to attract and retain the best employees, and naturally, if people can afford it, they want to give their employees health insurance anyway. But I think there should be some tax relief there to encourage small business employers who can't presently afford health coverage for their employees to be able to do so. And we're going to talk about that also.

This tax relief package for middle income families can help to solve the most important challenges that families face today. This package, big as it is, stands in sharp contrast to an alternative that would completely eliminate the budget surplus and threaten the underlying prosperity. You know the old parable about the goose that laid the golden eggs, and every child knows that story, and the moral of it is: If you have got a good thing, don't destroy it; take care of it; don't overreach. And this economy is one that—where you can apply that same moral. We need to keep our progress and prosperity going, build on it, make sure no one is left behind. Extend it, strengthen it, and on that foundations, let's build the period of the brightest and best prosperity America has ever had.

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Al Gore

The United Auto Workers

Detroit, Michigan

August 11, 2000

Tax Giveaway Aimed at the Wealthy

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We've got a situation right now in America where the other side is trying to give the message that an approach that concentrates on a giant tax giveaway primarily aimed at the wealthy is the best thing for the economy. I think they really believe that. And I don't question the patriotism or the character of either of their candidates. They're good men, as far as I'm concerned. But I think they've got ideas that would not be good for working families and I don't think they have an accurate view of what this country is like and what it needs.

I'll give you an example. They said that the last eight years have been a time when we've just been coasting and taking the path of least resistance. Well, I wish there had been less resistance, because I remember joining with you in breaking the tie to pass our economic program to help lift up working families, against their resistance.

I wish there had been less resistance when they shut the government down, not once but twice, and we forced them to re-open it and we forced them to keep going the distance, to keep building the economy. And as for the effects of that plan that we passed together, well, the way I remember it is a little different from the way they described it at their convention.

The way I remember it, they left us with high unemployment after a decade of recessions and slow economic growth. They left us with the biggest deficits in history! They left us with a national debt that had been

quadrupled in a short period of time; rising crime, families under more pressure.

And after eight years of the program that we put in place, the Clinton-Gore program, we turned the biggest deficits into the biggest surpluses! Instead of a triple-debt recession, we've had a tripling of the stock market! Instead of high unemployment, we've now got the lowest African-American unemployment ever in this country; the lowest Hispanic unemployment ever in America. We've got 22 million new jobs, and officially the strongest economy in the entire 224-year history of the United States of America. That's not coasting! That's not coasting!

...

Al Gore

Quincy, Illinois

August 21, 2000

Tax Cut for Middle Class Families

...

This election is about you. It's about your families, and it's about your future. And I've taken the risk of presenting specifics and getting into the issues because I think you deserve to know the facts and have the opportunity to make a judgment for yourselves. It's not about sound bites and PR and spin and imagery. It's about the difficult choices we have to make. When we set priorities as a nation, it has an impact on you and your families.

All day today, we've been talking about tax cuts and the economy. The other side has proposed an economic plan that would take us back to an approach tried 20 years ago that didn't work then. They would focus the benefits of a giant tax cut on the wealthy, at the expense of everyone else.

And we don't begrudge the wealthy a tax cut, but if it puts our economy into deficits again and offers just peanuts to middle-class families, and interest rates go up, and the economy begins to turn down, and the prosperity and progress is threatened, that's not a good deal, and I'm not going to stand for it. I will never support a tax cut for the wealthy at the expense of everyone else, that wrecks our economy in the process.

I favor instead tax cuts for middle-class families to help with college tuition, by making most college tuition tax-deductible, so you can send your kids to college -- a tax-free tuition savings plan; tax cuts that help with health care expenses and long-term care, help with incentives for

savings and investments, so you can build up a nest egg for your family and for retirement and for the expenses that families need.

You know, freedom in the economy of the 21st century involves having savings, and we need new incentives for savings. That's one of the main points of our tax cut plan -- \$500 billion over the next 10 years. But it'll go to the right people.

You know, I said at the convention, and I'll repeat today, that the plan offered by the other side is so geared to the wealthy that for every \$10 that goes to those at the -- in the wealthiest 1 percent, middle-class families would get one dime -- and low-income families would get one penny. Most of it would go to the wealthy.

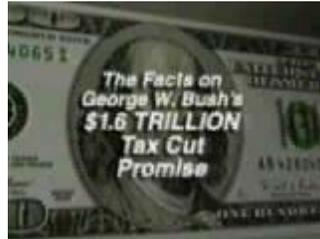
Now we tried that before.

The theory behind it is, if you give more money to the very wealthy, they'll invest it and create jobs. But you know, if the people who make up the vast majority of the families in this country don't have disposable income to go out and buy what the factories are making and the stores are selling, then the wealthy are not going to make investments in new factories and stores because they're not going to be able to make money off the ones that are already out there. That's the flaw in their theory.

Al Gore

October 11, 2000

TV Ad: "Down"



[Announcer]:

The facts on George W. Bush's \$1.6 trillion tax cut promise: Almost half goes to the richest 1 percent. What trickles down? An average of 62 cents a day for most taxpayers. Bush gives almost half to the richest 1 percent, leaving 62 cents to trickle down to us.

(On screen: Source: Wall Street Journal, 10/5/00; Citizens for Tax Justice, 8/00)

Al Gore builds on a foundation of fiscal discipline. Pay down the nation's debt. Protect Social Security and Medicare. A \$10,000 a year tax deduction for college tuition. Because the middle class has earned more than trickle down.

(On screen: Al Gore for President; www.algore.com; Paid for by Gore/Lieberman, Inc.)

Al Gore

Democratic National Convention 2000

Los Angeles, California

Party Platform: The Right Kind of Tax Cuts

The road to long term prosperity starts with embracing fiscal discipline. Unfortunately, the Republicans eschew fiscal discipline and offer up nothing less than fiscal disaster. They would squander the surplus on a more than trillion-dollar federal government tax giveaway for the well-off and well-connected, while failing to eliminate the national debt, neglecting to shore up Social Security and Medicare, and shirking the need to invest in the education of America's children and the skills of her workers.

For the past eight years, Democrats have been working to offer tax relief to the Americans who need it the most where they need it the most. We cut taxes for working parents who were struggling to make ends meet. We cut taxes for parents who were working hard and trying to raise good kids. We cut taxes for Americans who had studied hard and made it to college. We cut taxes for Americans who were continuing their educations and gaining new skills to stay on the cutting-edge of the economy. We cut taxes for companies that were helping Americans make the transition from welfare to work. We cut taxes for more than 90% of America's dynamic small businesses. Today, for most families, the federal tax burden is the lowest it has been in twenty years.

The Bush tax slash takes a different course. It is bigger than any cut Newt Gingrich ever dreamed of. It would let the richest one percent of Americans afford a new sports car and middle class Americans afford a warm soda. It is so out-of-step with reality that the Republican Congress refused to enact it. It would undermine the American economy and

undercut our prosperity. Under the leadership of Al Gore, Democrats want to give middle class families tax cuts they can use - tax cuts that will put their own values into action and that will not injure the economic vitality they rely on. Democrats seek the right kind of tax relief - tax cuts that are specifically targeted to help those who need them the most. These tax cuts would let families live their values by helping them save for college, invest in their job skills and lifelong learning, pay for health insurance, afford child care, eliminate the marriage penalty for working families, care for elderly or disabled loved ones, invest in clean cars and clean homes, and build additional security for their retirement.

Taxation - Bush

George W. Bush

Durand, Michigan

August 5, 2000

Marriage Penalty Relief

Today we learned of another squandered opportunity. What kind of tax code penalizes marriage? A bad tax code.

This was another squandered opportunity after the Congress worked so hard to send a signal to America that marriage is important. Al Gore had a chance to stand up for the working people of America and he let them down. He was given the chance to say to President Clinton 'don't veto that bill.' But he was silent. When given the choice between bigger government or helping working families, Al Gore made it crystal clear that he stands on the side of bigger government. Had I been president of the United States, I would have signed that bill. Men and women who are married should not pay more taxes than if they were single people.

George W. Bush

Salinas, California

August 10, 2000

Marriage Penalty Tax & Death Tax

I think you can judge the nature of a man by the company he keeps.

And I'm keeping pretty darn good company. And if you didn't know it prior to the convention, you certainly learned it at the convention. What a great speech she gave.

It reminded people, I hope, this convention, where our personal priorities are. Our priorities are our faith, our priorities are the families of America, and our priority's a country we love more than anything, the greatest land on Earth, this country called America.

I'm so proud of my wife. I can guarantee you, should we be fortunate enough to win, she is going to be a fabulous first lady for the United States of America.

Several weeks ago, they kept asking me about the vice presidential selection, and I kept saying, if I -- when I pick somebody, it's going to be somebody, if need be, if need be, could become president of the United States. I found that man in Dick Cheney.

I said that, should I be fortunate enough to earn the vote of the American people, I would want a vice president with whom I could work, somebody who would be a partner, somebody to bring good solid judgment and would help us unite America. I found that man in Dick Cheney.

We are proud to call him friend, and you're going to be proud to call him Mr. Vice President.

I feel so upbeat about this campaign, I feel upbeat about our chances in California, because this is a campaign that is a campaign of

ideas, positive ideas, that stands on the side -- that stands on the side of the people of California. See, when you hear our message, you're going to hear, we don't trust government, we trust people. We trust the people of California.

And let me give you a good example. It's on the issue of taxes. We have a surplus. The surplus does not exist because of the ingenuity and hard work of government, the surplus exists because of the ingenuity and hard work of the people who pay the bills.

There's a difference of opinion in the campaign. Our opponents believe the government owns the surplus. No, we believe the surplus is the people's money and we want to share some of it with the people who pay the bills.

No, there's a big difference of opinion. The other day, as a result of support out of the Senate and the House, the senators and congressmen voted to get rid of the marriage penalty in the tax code. It makes a lot of sense to get rid of the marriage penalty. After all, our government ought to be encouraging marriage and family. And yet this president vetoed the marriage -- the ending marriage penalty. My opponents supported it. It's a clear sign that they stand on the side of big government. We stand on the side of the families in America.

Our farm economy is incredibly important to the future of this nation. It's not only a matter of good economics for this country, it's a matter of national security that we have a strong farm economy. I want you to know that farmers are not going to be secondary thoughts to a Bush administration. They will be in the forefront of our thinking.

But I want to tell you something where this administration has not helped the farmer. We need to get rid of the death tax in the tax code. The death tax forces farmers to sell. It's bad for small business people.

...

George W. Bush

Bartlett, Tennessee

August 18, 2000

Budget Surplus & Tax Reduction

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And I know we're having a debate on the budget. Let me just share with you what I think about the surplus.

The surplus means government has got more money than it needs. The surplus does not exist because of the ingenuity and hard work of our federal government. The surplus exists because of the ingenuity and hard work of the working people in America. It is time to seize this moment to make sure our tax code is more responsive, more fair. It is time to get rid of the death tax in America. Just talk to your small business owners and your farmers and ranchers about the death tax. It's time to get rid of the marriage penalty in the tax code.

The Congress, Republicans and Democrats, voted to eliminate the marriage penalty because, for the right reason, we want to encourage families and marriage. The president vetoed it, the vice president seconded it. We need a new attitude when it comes to taxes in Washington, D.C.

And I know you've heard the rhetoric, but let me tell you the facts. Under my plan to share some of the surplus with the people who are paying the bills, if you're a family of four in the great State of Tennessee whose cumulative income is \$25,000; if you're a teacher and a policeman whose cumulative income is \$50,000, under my plan you get a 50 percent cut in the taxes you pay the federal government. I want you all to remember -- I want you all to remember loud and clear, we've got a surplus because the taxes are the highest they have been on the working

people as a percentage of our economy since World War II. It's conservative to cut taxes.

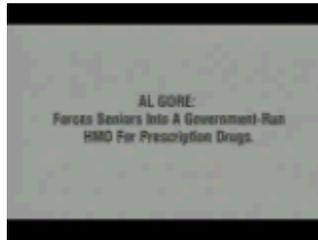
It's compassionate to trust people with your own money so you can save and you can dream and you can build for your future!

...

George W. Bush

September 14, 2000

TV Ad: "Compare"



[Announcer]:

Al Gore's prescription plan forces seniors into a government-run HMO.

Governor Bush gives seniors a choice.

Gore says he's for school accountability but requires no real testing.

Governor Bush requires tests and holds schools accountable for results.

Gore's targeted tax cuts leave out 50 million people -- half of all taxpayers. Under Bush, every taxpayer gets a tax cut, and no family pays more than a third of their income to Washington.

Governor Bush has real plans that work for real people.

(On screen: Paid for by Bush-Cheney 2000, Inc. and Republican National Committee)

George W. Bush

California Republican Party Convention via Satellite

Austin, Texas

September 16, 2000

Taxes: Gore Plan vs. My Plan

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On taxes, here is my plan: If you pay income taxes, you get a tax cut. If you are a low or moderate income worker, you get the biggest percentage tax cut.

We're going to cut the marriage penalty and get rid of the death tax. And I believe that no one in America should pay more than a third of their income to the federal government in taxes.

My opponent has a plan too. He calls it targeted tax relief. The first problem is that at least 50 million American taxpayers – over half the total –are nowhere near the target. They get nothing.

All the rest may get a tax cut from Al Gore – but only if they do things his way.

You may get help with child care, but only if your child is in paid or government-approved childcare – grandparents, family and friends not included.

You may get a break on the marriage penalty – but not if you own a home and itemize your taxes.

You may get a break on transportation – but only if you drive around in a hybrid electric/gasoline engine vehicle.

You may get death tax relief – but first the IRS has eight or nine questions, starting with this one: Did you materially participate in the operations of the small business five out of the eight years before your death, and do your heirs pledge to materially participate for another ten

years?

My opponent's theory is that only the "right" people should get tax relief. That is what Al Gore calls them, the "right" people. But there are no right Americans or wrong Americans. Tax relief should be aimed at one big target, so you can't miss: Everyone in America who pays income taxes.

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George W. Bush

Little Rock, Arkansas

September 18, 2000

Doubling the Child Tax Credit

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This is a plan that I discuss, this is a plan for real people, it's a real plan. This isn't one of these things where there's a lot of fine print to it, it's a real plan to help people help themselves. These families up here are the kinds of people who I talk about.

The hopes of American families are the -- one of the cornerstones of my campaign. It's one of the goals of the campaign to help younger Americans go to college and to help younger couples begin to realize their dreams; to help people learn to save; and to help the elderly to have retirement that's dignified, to keep the promises made to our elderly in America; to help those that can't help themselves with health care.

It's part of the aspirations and dreams of America, and this pamphlet here outlines exactly what I'm talking about. It's a good go-by for people who are interested in good public policy.

One of the things you'll find in here, in the spirit of my platform, is I want to help people help themselves. I don't believe the role of government is to tell people how to run your lives. My plan is one that gives people options, not orders; it's one that trusts individuals to be responsible for the decisions they make in life.

I trust these good families up here to love their children. One of the things government can do is help them help themselves.

Today I want to talk specifically about children and families, how to help families bear the awesome responsibilities of raising their children.

The issue facing America today is many of our middle-class families

work three jobs: his, hers, and the joint responsibility of raising children. And of course the toughest job in America are those families where there's only a single mom, for example, raising children, a brave woman struggling to bring her children up in a place of love and care and concern.

I strongly believe is that the tax burden on the American families makes it harder for families to realize their responsibilities, to do their duties. Incredibly enough, I want you to hear this statistics: The average family now pays more in all taxes than they do in housing, food and clothing combined. Think about the tax burden on people working hard to provide and to love their children, that the taxes, all taxes combined on the average family, is greater than food, clothing and housing, the basic necessities for middle-class life. The taxes rob family, in my judgment, high taxes rob families of time to be with each other and on time to be with their children.

Every family, by the way, faces different challenges. These two families are unique. They may face the challenge of raising for their children's education, they may have a health care challenge, they may decide that they want child care of some kind.

But one thing is in common for middle-class families: The best way to help families is to provide tax relief, is to let them have some more of their own money to provide flexibility in their lives.

And so I want to talk about what my blueprint means for working families and middle-class families in America.

First, I want to reduce the bottom rate of our tax code from 15 percent to 10 percent. Begins to address inequities, helps address inequities in the tax system.

Secondly, I want to make sure that no middle-class family pays more than a quarter of their income to the federal government. In other words,

the middle-class families will pay 25 percent -- no more than 25 percent to the federal government.

Thirdly, in order to help families, we need to greatly reduce the burden of the marriage penalty on families. What kind of tax code is it?

And fourthly, we want to increase the child credit from \$500 to \$1,000 per child. As I was walking through the -- saw the cribs with the youngsters there, I just was thinking about how best to -- this plan frees people by increasing the child credit, it recognizes the value of children, it says to parents we're going to give you more options with your own money.

Now, I want you all to know that when you accumulate all the reforms I just mentioned, that accounts for 60 percent of the tax relief package that I've been describing all across America. Sixty percent of the package goes to helping middle-class families help themselves.

...

George W. Bush

The Fraternal Order of Police

Media, Pennsylvania

September 20, 2000

Reducing the Tax Burden on Working Families

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And you know what else I want to do? And you know what else I want to do? I want the men and women who wear the uniform to be able to keep more of the money they earn. There's a big debate over taxes in this campaign, and I welcome the debate. I welcome the debate. My opponent thinks the surplus is the government's money. That's what he thinks. We know the surplus is the hard-working people's money, and we're going to share some of that surplus with the people who pay the bills. He wants to spend the people's money.

And there ought to be priorities. I'm going to set clear priorities. We're going to take care of the elderly. We're going to make sure that we strengthen the military to keep the peace. But with some of that surplus, about a quarter of that surplus, in order to keep the economy growing, in order to say loud and clear, "We trust Americans," I want to send some of that money back to the people who pay the bills.

So if you're a law enforcement officer in the state of Pennsylvania and your family is making \$50,000 a year and you've got two children, under my vision you get a 50 percent cut in the federal taxes you pay. The average family will see their taxes go from \$4,000 to \$2,000, from \$4,000 to \$2,000. Easy, up there. From \$4,000 to \$2,000.

Here's the difference of vision. Al Gore wants the planners and thinkers in Washington DC to spend that \$2,000. I want the average American to be able to have that \$2,000 so they can save and they can

dream and they can build.

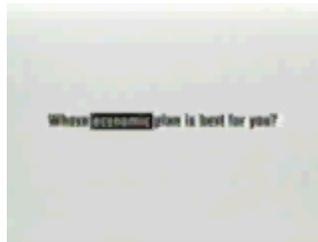
And let me tell you what else the men and women in uniform want from the next president. It's the same thing people all across America want. Let me summarize it to you this way. I walk the rope lines a lot. I love shaking hands with my fellow Americans. I care a lot about our citizens and their hopes and aspirations, so I listen. And a lot of times people come up to me with a picture of their child and they put the picture of the child in my face and they say, "Governor, don't let us down again." People from all walks of life come up and they take time out of their schedules to be able to look me in the eye and say, "Never let us down."

So here's my pledge to the good folks of Delaware County. It's a pledge I've been making all across the country. It's a pledge I make to the men and women who wear our uniform, that should I become the president, with your help in this great state, when I put my hand on the Bible, I will swear to not only uphold the laws of the land, but in order to call upon the best of America, in order to assume the responsibilities of the highest office of the land, in order to set a great tone for this nation, I will also swear to uphold the honor and dignity of the office to which I have been elected, so help me God.

George W. Bush

October 11, 2000

TV Ad: "Big Relief vs. Big Spending"



[Announcer]:

Whose economic plan is best for you? Under George Bush's plan, a family earning under \$35,000 a year pays no federal income taxes -- a 100 percent tax cut. Earn \$35-50,000? A 55 percent tax cut. Tax relief for everyone.

(On screen: Source: Wall Street Journal, 9/5/00; Based on family of four)

And Al Gore's plan: Three times the new spending President Clinton proposed, so much it wipes out the entire surplus and creates a deficit again.

(On screen: Source: Clinton '92 and National Taxpayer's Union)

Al Gore's deficit spending plan threatens America's prosperity.

(On screen: Paid for by the Republican National Committee)

George W. Bush

Republican National Convention 2000

Philadelphia, Pennsylvania

Party Platform: Taxes and Budget – Render to Caesar, but Let the People Keep Their Own

“I believe our country must be prosperous, but prosperity must have a purpose . . . to make sure the American dream touches every willing heart.”

— George W. Bush

It takes both candor and courage to say, as George W. Bush has said, that, even in times of large surpluses, the economy is far from perfect and we should not be satisfied with the status quo. Budget surpluses are the result of over-taxation of the American people. The weak link in the chain of prosperity is the tax system. It not only burdens the American people; it threatens to slow, and perhaps to reverse, the economic expansion:

The federal tax code is dysfunctional. It penalizes hard work, marriage, thrift, and success – the very factors that are the foundations for lasting prosperity.

Federal taxes are the highest they have ever been in peacetime.

Taxes at all levels of government absorb 36 percent of the net national product.

When the average American family has to work more than four months out of every year to fund all levels of government, it’s time to change the tax system, to make it simpler, flatter, and fairer for everyone. It’s time for an economics of inclusion that will let people keep more of what they earn and accelerate movement up the opportunity ladder.

We therefore enthusiastically endorse the principles of Governor

Bush's Tax Cut with a Purpose:

Replace the five current tax brackets with four lower ones, ensuring all taxpayers significant tax relief while targeting it especially toward low-income workers.

Help families by doubling the child tax credit to \$1,000, making it available to more families, and eliminating the marriage penalty.

Encourage entrepreneurship and growth by capping the top marginal rate, ending the death tax, and making permanent the Research and Development credit.

Promote charitable giving and education.

Foster capital investment and savings to boost today's dangerously low personal savings rate.

This is more than just an economic program to promote growth and job creation. It is our blueprint for the kind of society we want for our children and grandchildren. It is a call to conscience, a reminder that, even in times of great prosperity, there are those who bear great burdens. That is why, with the tax cuts we propose, while every taxpayer benefits, six million families — one in five taxpaying families with children — will no longer pay any federal income tax.

It took a Republican Congress to stand up to the Internal Revenue Service by publicly exposing its abuses and enacting a Taxpayer's Bill of Rights. Within the simpler and fairer tax system proposed by Governor Bush, the IRS will be downsized and made less intrusive. IRS rules should be understandable by all, enforced by few, with low-cost compliance. We applaud the efforts of the Republican Congress to expand the use and availability of Individual Retirement Accounts.

In 1997 the Republican Congress cut the capital gains tax from 28 percent to 20 percent. As a result capital gains for Americans doubled and federal government tax receipts from capital gains jumped from \$50

billion in 1996 to \$75 billion in 1997. These tax cuts produce more economic growth and often more tax revenues. We cheer their lowering of the capital gains tax rate and look forward to further reductions that will stimulate property sales and development to bring jobs and renewal to our urban neighborhoods.

To guard against future tax hikes, we support legislation requiring a super-majority vote in both houses of Congress to raise taxes. We will prohibit retroactive taxation and will not tolerate attempts by federal judges to impose taxes. Because of the vital role of religious and fraternal benevolent societies in fostering charity and patriotism, they should not be subject to taxation.

Income taxes and payroll taxes are the most obvious parts of the public's tax burden but consumers foot the bills in higher prices for most of the user fees that are nothing but under-radar taxes. Excise taxes of all kinds have snowballed, because they shift public resentment from government to the businesses that are forced to collect them. One example is the gas tax of 1993. Another is the phone tax imposed to finance the Spanish-American War — and still in place a century later. We call for the immediate repeal of the phone tax.

Trade Policy - Gore

Al Gore

Democratic National Convention 2000

Los Angeles, California

Party Platform: Opening Markets around the World

Exports sustain about 1 in 5 American factory jobs - jobs that pay more than jobs not tied to the global economy. Open markets spur innovation, speed the growth of new industries, and make our businesses more competitive. We must work to knock down barriers to fair trade so other nation's markets are as open as our own.

Trade has been an important part of our economic expansion - about a third of our economic growth in recent years has come from selling American goods and services overseas. There is no doubt that with trade - and with investments in giving American workers the skills they need - we can out-compete workers anywhere in the world.

It's clear we live in a globalized world - and that there is no turning back. But globalization is neither good nor evil. It is a fact - and we have to deal with it. Democrats believe we must be leaders in the new global economy, not followers. We believe that globalization will work for all Americans only if there are rules of the road, as in the domestic economy, that promote both a strong economy and our basic American values.

We need to make the global economy work for all. That means making sure that all trade agreements contain provisions that will protect the environment and labor standards, as well as open markets in other countries. Al Gore will insist on and use the authority to enforce worker rights, human rights, and environmental protections in those

agreements. We should use trade to lift up standards around the world not drag down standards here at home.

True open trade is not just about profits, but about people; not a race to the bottom, but a dash to the top; about a rising tide lifting the boats of workers here and abroad; about reinforcing the values of freedom and liberty and the rule of law in the hearts and minds of people everywhere. The test of open trade in the years ahead is whether it empowers the many and not just the few, whether its blessings are widely shared, whether it helps to lift the poor out of poverty; and whether it works for working people.

Democrats know that to build a new consensus for more open trade, we must give workers the tools they need to compete in the global economy and support rules that will protect workers' rights, human rights, and environmental protections. That's why our lifelong learning and skill development proposals are so important. American workers need access to ongoing skills development so that they have the tools they need to succeed in the New Economy. In addition, our trade adjustment assistance programs should be improved so that all affected workers receive timely and adequate assistance, including measures to address health care coverage and pension protections.

With the leadership of Al Gore, Democrats helped America's steel industry weather the effects of the Asian financial crisis. As President, Al Gore will move aggressively to reduce our overall trade deficit and stop the erosion of good paying manufacturing jobs. This includes negotiating tough agreements to reduce our persistent automotive trade imbalances with our major trading partners. We must continue to monitor imports and, consistent with the World Trade Organization, ensure that the United States utilizes all of its trade laws and other mechanisms, including product specific safeguards, to stop quickly and effectively any

import surges when they threaten our workers and communities.

The President should be able to negotiate trade agreements with the nations of the world and should include worker rights, human rights, and environmental protections in those agreements, as well as market opening initiatives. At the same time, Al Gore will challenge American companies to ensure labor protections and worker safety at their overseas operations. And U.S. representatives at the International Monetary Fund and the World Bank should also seek to advance fair treatment for workers internationally. We should create an environment in which electronic commerce can flourish globally as it has here in America. We are committed to supporting the rights of workers around the world. And we should vigorously monitor trade agreements to make sure other nations are not shirking their responsibilities.

Democrats are committed to addressing the problem of manipulative corporate tax shelters, including in the international context, that undermine the public's faith in the fairness of our voluntary tax system. At the same time, we must ensure no tax provision has the effect of encouraging corporations to locate in other countries at the expense of American workers.

Trade Policy - Bush

George W. Bush

Miami, Florida

August 25, 2000

Promoting Free Trade in the American Continent

...

Our second goal is free trade in the all the Americas, which will be a step toward free trade in all the world.

We know the power of trade in Texas, because of rising commerce under NAFTA. Thanks to NAFTA, America now trades \$200 billion worth of goods with Mexico, and half of it crosses the Texas border.

The economic case for NAFTA is strong, and the moral case is just as powerful. As barriers fall and markets open, people in Mexico are finding good jobs in their own country. Thousands are able to start businesses for the first time.

Standards for conducting business become more regular. Standards for education rise to meet the demands of the economy. That economy demands literacy, and skilled labor, and expertise in accounting and engineering and technology. It is a gradual change, and not always easy. But it can uplift a country and uplift a life.

In the United States, our Constitution calls these benefits "the blessings of liberty."

People throughout the Americas now seek the same for themselves and their posterity.

We can help, but in the end that opportunity is not ours to grant or deny. If the United States cannot offer new trade with the nations of Latin America, they will find it elsewhere -- as they are doing already in

new agreements with the European Union. In the last few years, Mexico signed a trade agreement with the Europeans, while Canada has a new trade pact with Chile.

All of this while, in Washington, time has been lost. European businesses and consumers are benefiting -- ours are not.

I don't fault our European friends for making these deals. We dropped the ball, and they're running with it. But we must get back into the game, and here is how I propose to do it...

First, I will secure fast-track authority -- the ability to pass or reject trade agreements without amendment. Without it, as we have seen, America is slow to move, and other nations are unwilling to negotiate with us seriously. When the next president sits at the Americas Summit in Quebec next April, other nations must know that fast-track trade authority is on the way.

Our goal will be free trade agreements with all the nations of Latin America. We can do so in cooperation with our NAFTA partners. We should do so with Chile, and Brazil and Argentina, the anchor states of Mercosur. Brazil is the largest economy in Latin America, with such vast economic potential, and our relations must reflect this.

We will also work toward free trade with the smaller nations of Central America and the Caribbean. We must be flexible because one-size-fits-all negotiations are not always the answer.

But the ultimate goal will remain constant ... free trade from northernmost Canada to the tip of Cape Horn.

In the near term, we will renew trade preferences with the Andean nations -- enacted in 1991, and set to expire next year. It is essential to support these economies in a time of challenge.

My administration will foster democracy and level barriers to trade. But we have a third great goal. We must defend the security and stability

of our hemisphere against the grave threats of organized crime, narcotics traffickers, and terrorist groups. Forces that work together to subvert economies, corrupt governments and destroy lives.

America cannot blame others for the narcotics trade. After all, we are the market that sustains it. And we have a responsibility to confront this problem, with a balanced policy of education, and treatment and law enforcement. I will support character education in our schools, effective drug prevention programs in our communities and faith-based drug treatment programs that transform lives.

On the supply side, we can help countries like Bolivia and Peru in promoting crop substitutes.

We can work with banks to prevent money laundering. With better intelligence and surveillance, we can track and catch drug smugglers before they reach our borders. And we will continue to work with Mexico to cooperate more closely on interdiction. With expanded patrols, we can make our borders something more than lines on a map. Right now the number of American border enforcement officers is less than the law requires. We'll hire more agents, and focus a reformed INS on the job of defending our border.

One country particularly ravaged by narco-trafficking is Colombia.

Until recently, Colombia was not given the priority and attention it needs. That nation now faces a large, armed insurgency, funding a vision of Marxist-Leninism with the profits of drugs.

These terrorists plague Colombia with killing and kidnapping. They have been found in Panama and are feared by Venezuela, Peru, Ecuador and Brazil.

Colombia's President, Andres Pastrana, has begun the fight against drugs, corruption and poverty. But the Colombian government must operate from a position of strength. That is why I support the \$1.3 billion

in aid the Congress has passed and the President has signed. This money should help build up the capabilities of Colombia's armed forces. Even though I do not advocate the use of American troops in battle, our forces can help train the Colombian military. Our aid will help the Colombian government protect its people, fight the drug trade, halt the momentum of the guerillas and bring about a sensible and peaceful resolution to this conflict.

The success of Colombia is not just the urgent concern of America, it is a test for our hemisphere.

This test, and many others, we will meet together.

By trading freely we will share with one another and learn from one another. By diplomacy and common enterprise, we will gain a deeper understanding and respect for one another. By defending each other against present dangers, we will secure for ourselves a peaceful future. Nearly 40 years ago, a visitor returned from a trip to Latin America, convinced it was poised for change. It would be, said Robert Kennedy, "peaceful if we are wise enough ... compassionate if we care enough... successful if we are fortunate enough." That change, he believed, was coming if we willed it or not. We could "affect its character," but we could not "alter its inevitability."

That change has come, and it is a revolution of freedom. Of trade, and democracy, and the rule of law. If we are wise and committed, a new generation of leaders can affect its character.

We can make it peaceful and compassionate and lasting. We can bring new hope to the new world --building an age of prosperity, in a hemisphere of liberty.

George W. Bush

Warrendale, Pennsylvania

September 7, 2000

Creating an Environment for Free Trade

You didn't bother to ask for my vote. I learned a pretty good lesson. It is so important to ask for the vote.

I want to share some of my philosophy with you. Talk a little bit about a policy issue that we have been discussing in one of your conference rooms, and that is the retirement system available for people who are working for a living, and then I want to answer some questions.

First, I'm an optimist. I believe so strongly about the American story. I love what America stands for. I love in hope and promise of the American dream.

I -- I don't think government can guarantee success, but government can guarantee access with good education, reasonable tax policy. Government can encourage people of faith and goodwill and good heart to love a neighbor, just like they'd like to be loved themselves.

One of the reasons I seek the presidency is because I want this great American experience to touch every willing heart. I want people to dream and to work and to realize their dreams.

I realize the role of government is limited, at least I think it is. It is not the role of government is not to create wealth. But in an environment in which the entrepreneurial spirit can flourish, in which businesses full of hard work, and in this case relatively young, smart people are able to succeed, if you're good enough.

One of my jobs is to create an environment, based upon free trade, I'm a free trader. When you hear the trade debate, I want you to think about George W. Bush as someone who says: This country, if given a

level playing field, can compete any place, any time, anywhere. I supported opening up the Chinese markets, for example, not only because I want the markets to be able for U.S. products or the farm products of Pennsylvania farmers, but I also happen to firmly believe our greatest export to the world is freedom, the freedoms we understand.

And when somebody gets a taste of freedom in the marketplace, when an entrepreneur in another country gets freedom, they are going to demand other freedoms: freedom of religion, freedom to speak their mind, freedom to vote. And I, in order to have economy grow, we need to have a civil justice system, i.e. tort reform, so that we don't threaten capital with frivolous or junk lawsuits.

We need less regulation out of Washington, more freedom for people to innovate. And good tax policy, which I hope we talk a little bit about today.

...

George W. Bush

Warrendale, Pennsylvania

September 8, 2000

Free Trade

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We need less regulation out of Washington, more freedom for people to innovate.

...

George W. Bush

Republican National Convention 2000

Philadelphia, Pennsylvania

Party Platform: Seeking Enduring Prosperity

Under Republican leadership, the United States will foster an environment of economic openness to capitalize on our country's greatest asset in the information age: a vital, innovative society that welcomes creative ideas and adapts to them. American companies are once more showing the world breathtaking ways to improve productivity and redraw traditional business models. This is an extraordinary foundation on which to rebuild an effective American trade policy.

Under the policies of the present administration, many markets remain closed and U.S. trade deficits keep rising. New economic structures are needed to combine regional agreements with the development of global rules for opening the world economy. Collaborating with the Congress, a Republican administration will engage the Latin American and the Asia-Pacific nations, including a new dialogue with India, about political economy and free trade. As impoverished countries in Eurasia, the Middle East, and Africa accept freer economies, they will need the incentives of more open world markets. In addition, the United States can encourage the European Union and our Asian friends and allies to open more sectors to cross-investment and competition with the aim of freer trans-oceanic trade.

Republicans are confident that the worldwide trade agenda is full of promise. From the traditional goods of agriculture to the virtual links of e-commerce, gates can swing open. Tariffs should be cut further. The United States can back private sector efforts to streamline common standards and deregulate services, from finance to filmmaking. As the

one economy with truly global reach, America can set the standards and be at the center of a worldwide web of trade, finance, and openness. If some nations choose to opt out, they will see how other countries accepting economic freedom will advance on their own, working together.

This is the Republican approach, and a critical dimension of a distinctly American internationalism. It goes beyond the old choice of private sector laissez-faire versus government regulation. Instead it is a vision of private initiative encouraged, not stifled, by governments. Private parties are already fashioning new ways to exchange goods and settle disputes but national governments still struggle to define many of the underlying rules. Republicans will also go beyond the old arguments that pitted bilateral deals against global trade rules. Instead they envision a comprehensive approach to the more interdependent global economy, one that uses bilateral, regional, and global arrangements to spur reluctant states to become more open or to be left behind. At the same time, innovative and flexible global rules and structures can facilitate regional progress.

Rooted in America's political and economic ideals, this Republican blueprint promotes open markets and open societies, free trade and the free flow of information, and the development of new ideas and private sectors. These nurture the human spirit, the middle class, law, and liberty.

As the Cold War ended, Republican presidents fought off protectionist pressure, eased the debt crisis then facing developing countries, signed the North American Free Trade Agreement (NAFTA), and started to enlarge free trade arrangements throughout the Western Hemisphere. They promoted the Asia-Pacific Economic Cooperation (APEC) group that could bind economic interests across the Pacific. They then used these regional initiatives to bring the global trade talks of the

Uruguay Round to the edge of conclusion. Thus America began to build on victory in the Cold War to build new structures for economic liberty as well.

For nearly eight years this promising construction project has languished half-built, the old blueprint shelved and no new ones drawn.

The administration returned to the old rhetoric of managed trade — demanding government intervention from a Japanese government that needed less regulation in its sputtering economy, not more. On the verge of a foolish trade war, the administration backed down and dropped its quota demands.

After failing for years to make the case for free trade, the administration finally got around to seeking fast-track trade negotiating authority, but could persuade only one-fifth of Democratic members of Congress to follow its lead.

With China, the administration sought to link normal trade relations to human rights performance. Then it flip-flopped and dropped the linkage. They tried to bring China into the World Trade Organization as the Prime Minister of China visited the United States in 1999, but the political waters got choppy. So the administration reversed course again. Finally the administration turned to Republican leadership in the Congress to enact permanent normal trade relations with China.

The administration refused to fight for passage of the Caribbean Basin Initiative that was designed to extend the benefits of free trade to some of America's poorest neighbors. Congressional Republicans did the job on their own. They also enacted the Africa Growth and Opportunity Act as a companion to CBI.

The failed leadership of the administration in international economics is exemplified by the humiliating debacle of the WTO meeting in Seattle — a conference the current administration first sponsored and

then wrecked through its own indecision and inconsistency.

Republicans know that prosperous democracies depend upon the promise of shared economic opportunity across national borders. If the new globalized information economy provokes a fearful drift into national or regional isolation, hopes for a better world will vanish. Institutions founded in the Second World War and its aftermath built the basis for America's position today, but those institutions, like the Bretton Woods monetary system and the General Agreement on Tariffs and Trade, were partly sustained by the Cold War. In this new century, the United States should devise new mechanisms to enable the private sector to unleash productivity, innovation, and a free flow of ideas.

Communities of private groups can achieve results far beyond the reach of governments and international bureaucracies. Given America's strong and diverse private sector, the United States, with close cooperation between a Republican president and a Republican Congress, can gain from the widening global influence of American citizens, businesses, associations, and norms. A Republican administration will have the opportunity to fashion, with like-minded nations, the international structures of sustainable prosperity for the next several decades.

The older international financial institutions should be overhauled but not scrapped. The International Monetary Fund and the World Bank should no longer stand for unelected elites imposing their often flawed solutions to tough problems by offering bailouts of corrupt officials and risk-taking investors. The IMF should concentrate on its original mission of promoting sound fiscal and monetary policies, advancing sound central banking practices, and easing global exchange rate adjustments. It should improve transparency and accountability, tackling corruption rather than contributing to it. The World Bank should continue to move

away from counterproductive development schemes of the past to an agenda that promotes the provision of basic needs. This agenda will include support for structural reforms that will encourage self-help through efficient markets.

The United States should aggressively pursue its national interest. Unlike the current administration, Republicans do not believe multilateral agreements and international institutions are ends in themselves. The Kyoto treaty to address momentous energy and environmental issues was a case in point. Whatever the theories on global warming, a treaty that does not include China and exempts "developing" countries from necessary standards while penalizing American industry is not in the national interest. We reject the extremist call for the United Nations to create a "Stewardship Council," modeled on the Security Council, to oversee the global environment. Republicans understand that workable agreements will build on the free democratic processes of national governments, not try to bypass them with international bureaucrats.

Unlike the Democratic minority in Congress, Republicans do not believe that economic growth is always the enemy of protecting the world's common environmental heritage. Rather, the Republican vision seeks more creative international solutions. These solutions should use market mechanisms to allocate the costs of adjustment, help governments competently manage the resources they do control, and encourage application of the new technologies that offer the greatest promise to protect the global environment.

George W. Bush

Republican National Convention 2000

Philadelphia, Pennsylvania

Party Platform: Trade – The Force of Economic Freedom

"The fearful build walls; the confident demolish them. I am confident in American workers, farmers, and producers, and I am confident that America's best is the best in the world."

— George W. Bush

International trade has become the world's most powerful economic force. International trade is not the creation of the world's rulers, but of the world's peoples, who strive for a better future and break down any barriers governments may erect to it. The result is today's global economy of open markets in democratic nations. That system is poised to sweep away both the counterproductive vestiges of protectionism and the backwater remnants of Marxism. We launched this revolution during the Reagan and Bush Administrations. Now we will bring it to completion: U.S. leadership of a global economy without limits to growth.

For our country, that outcome will be critical. Exports account for almost one-third of U.S. economic growth, while average wages in export-related industries are significantly higher. As for agriculture, expanding exports is key to saving the family farm. We must secure America's competitive advantage in the New Economy by preventing other countries from erecting barriers to innovation. For American producers and consumers alike, the benefits of free trade are already enormous. In the near future, they will be incalculable.

But free trade must be fair trade, within an open, rules-based international trading system. That will depend on American leadership, which has been lacking for the last eight years. The administration's

failure to renew fast track (expedited legislative procedures to approve free trade legislation) has undermined its ability to open new markets abroad for American goods and services. As a result, America's trade deficit with the rest of the world has surged to record highs. We must be at the table when trade agreements are negotiated, make the interests of American workers and farmers paramount, and ensure that the drive to open new markets is successful.

The vitality of that agenda depends upon the vigorous enforcement of U.S. trade laws against unfair competition. We will not tolerate the foreign practices, rules, and subsidization that put our exports on an unequal footing. It is not enough to secure signatures on a piece of paper; our trading partners must follow through on the promises they make. First and foremost, we must restore the credibility of U.S. trade leadership. We therefore propose to:

Launch a new and ambitious round of multilateral negotiations focused solely on opening markets.

Revitalize the World Trade Organization negotiations on agriculture and services.

Give the next president fast-track negotiating authority.

Negotiate reductions in tariffs on U.S. industrial goods and the elimination of other trade barriers so that our autos, heavy machinery, textiles, and other products will no longer be shut out of foreign markets.

Take action against any trading partner that uses pseudo-science to block importation of U.S. bioengineered crops.

Advance a Free Trade Area of the Americas to take advantage of burgeoning new markets at our doorstep.

Revise export controls to tighten control over military technology and ease restrictions on technology already available commercially.

Budget Surplus/Deficit - Gore

Al Gore

New York Historical Society

New York, New York

June 13, 2000

National Debt

...

The second principle -- conscience. We have to respect the dreams of the next generation. We have to do more than pay down our debt. We have to seize this chance to completely eliminate it for our children.

Paying down the debt is plain, good capitalism. It frees businesses to invest and innovate. It creates good jobs. It is the foundation of future growth.

But putting an end to debt for the first time in seven generations will give our children the chance to reach for their own dreams instead of dealing with the nightmares that others' irresponsibility can cause.

A conscientious nation owes this to its children. I believe this is how we reach real maturity and take real responsibility - as parents and as a great nation. No generation should put its own expectations ahead of its children's needs.

To win that moral victory for Americans, we will win this fight. And in the four years of my term, I will pay off all the debt America accumulated in our first 200 years. Then I will put us on the path to completely eliminating our national debt by the year 2012.

Let us live up to the responsibility of being true parents to our nation's children - not just individually in our own homes, but as a community in our stewardship of America's finances....

Al Gore

New York Historical Society

New York, New York

June 13, 2000

National Trusts

...

The fourth principle is boldness. With our feet planted firmly on the ground -- with discipline, conscience, and decency -- we must also have courage to take bold action, to meet three great challenges: reforming our schools, curing disease and making all of our families healthier than ever before, and protecting the environment that is essential to the fabric of life itself.

For each of these three priorities, I propose that we create a new national trust - to safeguard the investments we need for our future. With a new education trust, we will make sure we have the new resources to go along with new accountability. We will invest more in our schools, set higher standards, and treat teachers like the professionals they are.

With a new health care trust, we will make our families stronger by making all families healthier. We'll invest in new research that will harness the breakthroughs of science for the benefit of our loved ones. We'll move step-by-step toward universal health coverage. We will bring access to fully affordable health coverage to every child in this nation by the end of the next Presidential term. And we'll make health insurance more affordable and accessible for small business.

Finally, the Environment Trust. We will summon all the ingenuity, all the innovation, all the skill and creativity of our country to protect a national asset: a clean, healthy environment. And we have to protect one

of the most precious of all our treasures: the stable seasons God gave us.

From activists to entrepreneurs, from investors to working men and women -- together we will build new, modern, and clean energy, industrial, and transportation systems.

I say to the nation's innovators: If you invest in these new technologies, America will invest in you.

There will be no new bureaucracies; no new agencies or organizations, because not only is the era of big government over, the era of old government is over, too. We'll measure performance carefully and ensure that we reach our goals with common-sense standards. And through the power of free markets, through good old-fashioned American ingenuity, we will dramatically reduce pollution and reverse the tide of global warming -- while creating more jobs, not fewer jobs, for our people.

America has done well. But I'm here today to tell you: you ain't seen nothing yet.

I know America can be anything we want to be - if we do things right. We have the people. We have the talent. We have the plan. And best of all, we have the confidence of the American people.

On behalf of those hard-working Americans whose lives have gotten better since we took up the challenge alongside them, I tell you now: we are going to win this fight.

On behalf of our children, whose futures are more secure today than they were eight years ago, I tell you now: we are going to win this fight.

For the sake of our Earth, which does hang in the balance, I tell you now: we will win this fight.

On behalf of the elderly, the vulnerable, the frail, we will not rest; on behalf of those citizen activists who are determined to clean up this democracy and reclaim real, not rhetorical, reform -- we will not rest.

Hear me now: we will take the White House in November for these people. I will let nothing threaten their hard-won prosperity. I will let nothing threaten their dreams.

If you allow yourselves to believe, without reservation, that we can do what's right, then we will accomplish what we set our minds to do.

Come with me, and we will do the right thing - and we will do it well.

Al Gore

"Going the Distance for Working Families" Rally

Monroe, Michigan

August 15, 2000

Spending the Budget Surpluses for Working Families

...

Now I say to all of you, as Americans and as Democrats, we've always looked to the future. And that's exactly what we're going to do in Los Angeles at the convention. I do think it makes sense to pause for a just a moment to acknowledge the strong foundation that we've built over the last eight years, along with the American people, and the great possibilities that it brings to us. The question in this election is whether we are going to erode that foundation or, instead, build upon it; whether we are going to turn back toward the old ways of the old guard or move forward with purpose and pride.

America has done well, but I tell you, you ain't seen nothin' yet! We're going forward through even better times.

Because of all we've achieved, we have a chance that is rare in our history to see to it that our prosperity enriches not just a few, but all working families. Why on Earth should we squander these historic surpluses on giant tax giveaways to the wealthy at the expense of middle class families a way that would wreck our economy?

Instead, let's invest in health care and education, a secure retirement and middle class tax cuts that help working families. Are you with me? Well, you and I know that it won't come without a fight. When we fought together to put the Clinton program into effect, it passed by a one-vote margin, both in the House and the Senate. Then the other side shut down the government twice in order to try to turn back that

program. They fought against us with everything they had. That's why I thought it was a little bit unusual when, in the convention, the other side said they accused us of taking the path of least resistance. I wish there had been less resistance. We would have gotten to this strong economy even sooner.

But now we face resistance and opposition again. You know from your own lives that there are obstacles and powerful interests that stand in the way, from big oil to big tobacco, to the HMOs and insurance companies, to the big polluters. Well, I want all of you to know that throughout my 24 years of public service, I have never been afraid or hesitant to take on the special interests, to take on the powerful, to fight for the middle class families who need a champion and who need help.

At a time when most Americans will live to know not only their grandchildren, but even their great-grandchildren, let's save and secure Social Security and Medicare for generations to come. I will protect Social Security and Medicare by putting them in an ironclad lockbox with a sign that says, in effect, "Politicians, hands off."

We're not going to allow that money to be spent for other things. I'll veto anything that spends Social Security money or Medicare money on anything else!

And then, I will fight for a new tax-free way to help you save and build for a bigger nest-egg for your retirement; something extra that you can save and invest for yourself. Something that will supplement Social Security and not be subtracted from it; Social Security Plus, not Social Security minus. And I will not go along with any proposal to privatize Social Security by taking one out of six dollars out of it!

At a time of almost unimaginable health and medical breakthroughs, it's time to fight for affordable health insurance for all Americans, step-by-step, so patients and ordinary people are not left powerless and broke.

If you entrust me with the presidency, I'll move toward universal coverage step-by-step, starting with coverage for every single child in America within the next four years.

And isn't it time, against the resistance and opposition, to say that we must take the medical decisions away from the young bureaucrats at the HMO's and insurance companies and give those decisions back to the doctors and the nurses and the health care professionals?

We'll pass a Patient's Bill of Rights with the leadership of John Dingell. And I believe it's time, on behalf of all the seniors who take their pill bottles out and count pills and count pennies and then cut expenses and eliminate some of the prescriptions because they can't afford them, it's time not to give money to the insurance companies, as the other side has proposed, but to give our seniors a real and meaningful prescription drug benefit under the Medicare program.

Are you with me?

At a time when the amount of human knowledge is doubling every five years, and good businesses are looking for people who have the training that they need, I'll fight for higher standards and more accountability to put a fully qualified teacher in every classroom, test all new teachers, and start treating and rewarding teachers like the professionals that they are!

Joining us here today are two teachers that I spent the night -- in the homes of which I spent the night in Michigan. Claudia Amboyer and her husband Donald, from Macomb, Michigan, and Margo Strong and her husband, Jay Strong, from Lansing, Michigan.

The teachers in this state are working hard. We need higher standards, new ideas, smaller classes, better accountability, but we can't do the job without new resources. And I will fight against any plan that drains money away from the public schools toward private school

vouchers, because we need to support our public schools.

At a time of unprecedented economic abundance, we ought to have targeted tax cuts for middle class working families, to help you save for college, to send your kids to college if they want to go, to pay for health insurance, to pay for child care and after-school care. But let me say it plainly: I will not go along with a huge tax cut for the wealthy at the expense of the middle class and at the expense of our strong economy.

I'll fight for tax cuts that go to the right people, the hard-working families who pay the taxes and who have the hardest time paying them. We have to build on the economic strategy that's working for the American people -- balancing the budget, paying down the debt, and investing in the best enterprise of all, the American people.

You know, Bill Clinton worked hard to get this economy right, and I'm pledging to you here today, I am not going to let the other side wreck it and take it away from us. We're going to keep the prosperity going.

I know we've got a hard-fought race ahead of us. I know the powerful interests are going to fight against us with everything they've got. But I also know one thing about the job of president: It is the one position in the Constitution that is filled by an individual who is given the responsibility to fight not just for one district or one state, not just for the wealthy and well-connected and powerful; a president has to fight for all of the people, especially those who most need a champion, especially those who need lifting up so they won't be left behind! I want to be a president to fight for you and for your family and for your future, right here in Monroe, Michigan.

With your help, we will win this fight and keep our prosperity going and make this country what we know it can be. I ask for your help, for your support to win this election and make America in the 21st century the best America. Let's win it! I'll fight for you! God bless you.

Al Gore

Howard University

Washington D.C.

September 15, 2000

Balancing the Budget & Self-discipline

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Now, I want to talk about why education is our number one priority. And to place it in context, let's acknowledge that the resources our nation has available to address any challenge will depend upon our continued economic success. And so Joe Lieberman and I have put out a comprehensive economic plan. You can find it on the Internet at Al Gore.com. Let me repeat that Al Gore.com. It's a 191-page detailed plan with specifics.

And we need to follow an approach that has -- that makes good economic common sense. You know, sometimes in the past, those of us who believe in progressive causes have fallen prey to the occasional assertion that somehow idealistic goals and economic common sense are at odds, and we try to out -- we tried sometimes to outdo one another with extravagant idealistic promises, treating the necessity for sound economic stewardship as kind of an impediment that we can easily push aside, and if you don't ignore that, well you just aren't passionate enough about the idealistic goals.

Well, we've learned better, because now we know that what happens in our economy is not just a result of what's done with the budget, it's a result of what's done with the budget and how the marketplace reacts to what's done with the budget. If you get you my meaning here, let's say we go deeply into deficits in order to pursue idealistic goals which are tremendously worthy. And then, because we go deeply into deficits and

we're borrowing heavily and we're paying all the interest on the debt just like -- any of you get sent credit cards when you came to. You know was it a problem? Well, see, you know, if some student just charges -- I mean, I'm not talking about anybody in particular here but you know what I'm talking about. The country's the same way. You just can't borrow yourself silly. Well, you can, but you'll pay the price for it. And the country can't do that either.

And over the last eight years, we have seen the benefits of doing two things simultaneously. Number one, balancing the budget not because that's, you know, some conservative symbol, but because when you demonstrate that we can get our act together, then the marketplace -- the investors, the world market, they start having a lot of respect for our ability to get our act together, and that keeps our interest rates low, and that in itself gets more money in circulation in our economy. And then when they realize that it's not just a flash in the pan, but we're going to have the self-discipline as a nation to keep on getting it right, then we develop a little momentum and the economy starts growing a little faster without igniting inflation; and the right kinds of investments give us more productivity, and so we get on a kind of a roll.

...

Al Gore

Las Vegas, Nevada

September 18, 2000

What To Do With the Budget Surplus

Let me tell you why I came here. I came here to ask for your support and to talk about the challenges that we face. Just seven weeks from tomorrow, Americans will go to the polls to choose a new future for our country. Seven short weeks from tomorrow, we face a choice not of politics or personalities so much as a choice of priorities.

What are we going to do with our nation's prosperity? What are we going to do with those budget surpluses that have been built up? What are we going to say is most important when we talk to our kids and follow up our words with our actions? Will we squander this chance on a huge tax cut for the wealthy at the expense of the middle class that hurts our prosperity and progress, or will we fight for middle-class families and men and women who are paying the bills, making mortgage payments and house payments and car payments, I mean, and doing right by their kids?

I'll tell you, it makes a huge difference whether or not you have somebody who will fight for you, and I want to fight for you!

That's why I'm running, that's what this race is all about. We have actually seen something of a test of the approach I'm recommending and the approach my opponent is recommending, because eight years ago, we saw the results of the same prescription that is being offered on the other side now. When my opponent says that we were a whole lot better off eight years ago than we are today...

... I don't remember it that way either. Because I remember the big deficits approaching \$300 billion a year and predicted to keep going up,

and no plan to do anything about them -- high unemployment, jobs being shipped overseas, the crime rate was rising, all the social problems were getting worse, and people were beginning to lose hope that we could get our act together and start moving in the right direction again.

Well, Harry mentioned the tie-breaking vote in '93, there was a new plan and you helped President Clinton and me bring about change in this country, and when that plan was adopted we started beginning to turn things around. And over the last eight years, we've made some progress, we haven't gone far enough.

But the biggest deficits have now become the biggest surpluses. Instead of a triple-dip recession, we've seen a tripling of the stock market. Instead of high unemployment, we've got the lowest African-American unemployment ever measured, the lowest Hispanic unemployment ever measured, 22 million new jobs and the strongest economy in the history of the United States of America.

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Al Gore

The Brookings Institution

Washington D.C.

September 28, 2000

Continuing & Expanding America's Prosperity

And this is the time to really focus on the consequences of the choices we're going to make, because 40 days from today Americans will go to the polls to choose a new future for this country. There are big choices at stake in this election, and at the heart of all these choices is a single fundamental question: Will we use our prosperity and our record surpluses to prepare for the future? Will we make the right choices, the sometimes difficult choices, to balance the budget, pay down our debt, and create a strong, growing economy that enriches all our families?

To me, this is more than a question of policies. It's a question of priorities, a question of values, and our whole future is riding on it.

We now have a greater chance than at any time in our lifetimes to create the America of our ideals, a country where your hard work and enterprise isn't weighed down by deficit and recession, joblessness and hopelessness; a country where working- and middle-class families can achieve what they want for the future. That's the country I'm working to build, and I say to you today, we cannot let this chance slip through our hands.

I don't believe we can take prosperity for granted. Even in good economic times, I don't believe we can settle for what's easy. We have to ask the hard questions about what's right for our economy and our families.

We've come a long way these past eight years, but I not satisfied. America is the strongest, most powerful, most prosperous country the

world has ever known, but we can be stronger, more powerful, and more prosperous still.

So I don't believe this election is an award for past performance. I'm not asking anyone to vote for me on the basis of the economy we have. I ask for your support on the basis of the better, fairer, more prosperous America that we can build together.

Together, let's make sure that our prosperity enriches not just a few, but all our families. Let's help parents and strengthen families. Let's invest in education, middle class tax cuts, a clean environment and a secure retirement. The choice we make in the next 40 days could well shape our future for the next 40 years. You ought to be able to know what the candidates are proposing to do with our prosperity so you can judge for yourselves.

If we do things right, we now have it within our grasp to completely eliminate the national debt by the year 2012, saving taxpayers hundreds of billions of dollars in interest payments. If we make the right choices, we can make Social Security financially sound for more than 50 years and make Medicare financially sound for another 30 years. If we make the right choices, we can reach the day in the next few years when seven in 10 Americans live in their own homes and family incomes rise by one-third.

So let me tell you where I stand when it comes to the economy. I believe in fiscal discipline and paying down the debt this year, next year, and every year. I believe in smart investments in the future, not massive tax cuts for the few that could bring us back into deficit. And above all, I believe prosperity has to work for the working and middle class families who built this economy; the families who are the hope and soul of this country. That's who I'm fighting for.

I'm talking about people making house payments and car payments,

parents struggling to find more time to spend with their kids and pass on the right values; families that need help affording college tuition, health care for their kids or job training to earn more and lift themselves to a better life. And I will not accept a massive tax cut that gives almost half the benefits to the wealthiest 1 percent, which would hurt middle class families and make today's balanced budget tomorrow's distant memory.

The Gore-Lieberman economic plan is built on the bedrock of fiscal discipline. We won't just balance the budget every year; we'll underspend the surplus so we never spend money we don't have. We will take one out of every six dollars of the budget surplus and put it aside so it won't be spent.

Then if today's economic forecast falls short, this new reserve fund will guarantee that we won't be running deficits and endangering America's prosperity.

If you entrust me with the presidency, I'll make sure the resources are there to strengthen families and build a more prosperous future. Then we will eliminate what is really the third-largest federal program, interest payments on the national debt. Today interest payments on the debt consume more of our budget than anything other than Social Security and national defense. Think about it. We spend more on interest payments than we spend on Medicare. It's a waste of your money. And we get nothing to show for it. So we should devote the single largest share of our surplus to paying down our national debt every year until it is completely eliminated by the year 2012.

Under my plan, interest payments will decline by 25 percent over the next four years. In 12 years, those interest payments will be completely gone. That means we'll have hundreds of billions of dollars to invest in the future, and with which we can cut taxes for families. And lower interest rates will fuel innovation and investment in the private sector,

the engine that drives our economic growth. Let's make sound choices now so we have greater prosperity for years to come.

Next, with fiscal discipline and debt reduction as the foundation, we will secure the future of Social Security and Medicare by putting them in an ironclad lockbox with a sign that says, in effect, "Politicians: Hands Off." I don't believe we should misuse Social Security and Medicare as piggy-banks for other programs. Let's make sure that every penny that comes into Social Security and Medicare is used only for Social Security and Medicare.

If we keep the right priorities, then we can cut taxes for the middle class, the people who have the hardest time paying taxes and saving for the future. Let's help families pay for child care, health care and long-term care. Let's make up to \$10,000 of college tuition tax deductible and make saving for college and lifelong learning tax free. Let's offer families a new, tax-free way to save and build a bigger nest egg for your retirement. I'm talking about something extra you can save and invest for yourself, something that will supplement Social Security, not take a trillion dollars out of the trust fund with no way to pay for it. Our plan is Social Security plus, not Social Security minus.

Every middle class family can benefit from our targeted tax cuts. They help with the basic burdens and expenses most families face.

And our plan is fully paid for within a balanced budget; right down to the last dime.

What I can't support is a \$1.6 trillion tax cut that mostly helps the very wealthy, which comes at the expense of middle-class families and could wreck our good economy in the process.

Consider this fact: The other side's plan gives more in tax cuts to the wealthiest 1 percent -- \$665 billion of the surplus -- than all the new money that they would invest in education, health care, prescription

drugs and national defense combined. More money in tax cuts to the wealthiest 1 percent than new investments in education, health care, prescription drugs and defense combined. That's not tax relief, that's a massive tax on America's potential.

My priorities are very different. Under the Gore-Lieberman economic plan, for every new dollar that we put into tax cuts or new investments, we'll set aside two dollars to pay down the debt. And for every dollar we put into new spending, we'll also put a dollar into tax cuts for working- and middle-class families.

So here's the bottom line. Our plan gives \$500 billion in targeted middle-class tax cuts. It makes the right investments in education, health care, a clean environment and a secure retirement. It provides an additional \$100 billion for our national defense, and it balances the budget and pays down the national debt. These are tough choices but they're the right choices. Within eight years, government spending would be the smallest share of national income that it's been in 50 years.

Now here's the bottom line on the other side's plan. It starts with a \$1.6 trillion tax cut that gives too much to too few at the expense of too many. It adds hundreds of billions of dollars in new spending. It privatizes Social Security, which would cost another trillion dollars -- and that doesn't even include the cost of their "Star Wars" system. That plan doesn't add up to anything but a deficit of at least \$1.1 trillion over the next 10 years.

This isn't just about numbers, it's about the standard of life for America's families, and it's about what's good for America's businesses.

If we pay down the debt and keep interest rates low, then the private sector doesn't have to compete with the federal government for investment capital. Productivity rises, jobs are created, and the economy prospers.

Now is the time to pursue economic policies that are good for our families and good for business. This is not the time to invite new deficits and high interest rates that could stifle both our growth and our hopes. That is why this issue is so important. That is why, 40 days from now, prosperity itself will be on the ballot.

I've said many times that the presidency is not a popularity contest. Sometimes you have to be willing to spend your popularity. Sometimes you have to be willing to do what's difficult or unpopular. It's always easier to spend money you don't have, rather than save for a rainy day. That's how we ended up with a multi-trillion-dollar national debt in the first place. But if we want to make sure the surpluses are really there, and build prosperity for the future, then we have to set aside money now, and not spend every penny and then some before it's even counted.

If we want to save and strengthen Medicare, then we have to set aside money now, and not give away money that we should be saving. If we want to make Social Security strong without raising taxes or cutting benefits, we should set aside money now to pay down the debt and to extend Social Security's solvency, not ignore the debt, take money out of the trust fund, and take years off the life of Social Security.

You deserve a president who will take responsibility for our economy, not try to take liberties with it. You deserve a president who will honor your hard work by making the hard choices on economic policy.

If you entrust me with the presidency, as I've said before, I know I won't always be the most exciting politician. But I will work every day to keep the economy strong, and I will never let you down.

Al Gore

Little Rock, Arkansas

October 24, 2000

Progress made in Reducing the Deficit

Later this morning, I'm going to give a major policy speech, here in Little Rock, on the second round of streamlining and reinventing government, how we can have a smaller, smarter. But I'm not going to focus on that topic here in this speech, because I want to tell you what is at stake in this election for you.

We have an opportunity to make an important and, indeed, crucial choice on November the 7th. And Arkansas is in many ways right in the catbird seat.

You know, this is the only state that borders Tennessee and Texas. You are right in the middle.

And this state is fiercely competitive. And I have been here on so many occasions. I'm claiming more cousins with each trip. You may have noticed that already this morning.

But seriously, this is an opportunity for Arkansas to shape the decision of the entire nation. And you have to ask yourselves whether or not you want to keep the prosperity going or not, whether or not you want to extend it to all Americans, whether or not you are tired of the strongest economy in the 224 year history of the United States of America, whether or not you want to go back to the days eight years ago. Because Governor Bush, after all, says -- well, let's hear his argument. He says that we were a whole lot better off eight years ago than we are today.

That's a real coincidence because that's my feeling also. He says that we ought to go back to the policies like the ones we were following eight

years ago. Once again, we are right in sync here.

Now, what we had eight years ago were giant deficits -- by far the biggest in history. We multiplied the national debt four times over. We had high unemployment, repeated recessions. I remember Dale Bumpers leading the charge on the floor of the United States Senate when a small group of Democratic senators started laying out the facts of why that old trickle down, Reagan-Bush-Quayle policy was such a catastrophe for this country. And it really laid the groundwork for the Clinton-Gore policies that were put into effect in the summer of 1993, thanks to Arkansas and Tennessee and the majority of the voters in the United States of America.

I had the privilege and honor of casting the tie-breaking vote to put that new plan into effect. It also passed by a one-vote margin in the House of Representatives. And not a single Republican voted for it.

Now, the Republican rank and file wanted change, and, incidentally, they appreciate the change. And I want to say a special word of thanks to the Republicans who are here supporting my candidacy.

I especially appreciate that sign "Republicans for Gore." We appreciate you. You are welcome. Republicans, independents, Democrats all are interested in seeing the right choices made.

Now, eight years ago, to continue my narrative here, we brought about some changes.

And every Republican-elected official in the Congress voted against it, and they predicted catastrophe, disaster, even depression. Well, they turned out to be a little bit wrong on that because, after eight years, we have changed the biggest deficits into the biggest surpluses. Instead of repeated recessions, we've seen a tripling of the stock market. Instead of high unemployment, we now have the lowest African-American unemployment ever measured, the lowest Latino unemployment ever measured, 22 million new jobs and the strongest economy in the entire

history of the United States of America. That is progress.

Al Gore

Democratic National Convention 2000

Los Angeles, California

Party Platform: Fiscal Discipline

For the 12 years before Bill Clinton and Al Gore took office, Republicans talked about fiscal discipline while they quadrupled the national debt. They ran up monstrous yearly deficits and nearly ran the American economy into the ground. In 1992, Democrats promised to cut the deficit in half in four years. They did - and went even further. It took Al Gore's tie-breaking vote in the Senate to overcome unanimous Republican opposition to deficit reduction. Today, America has gone from the biggest deficits in history to the biggest surpluses in history. Fiscal discipline keeps interest rates low and investment rates high - and it has helped fuel America's remarkable prosperity.

We must not go back. That's why Democrats now vow to balance the budget every year, barring a national emergency. But even this is not enough. In the 160 years since the very first Democratic Platform, America has always struggled under a national debt. Today's Democrats believe we should pay down the debt every year until we can give our children the independence, self-sufficiency, and prosperity that will come from an America that is debt-free. In 12 years of rule, Republicans quadrupled the national debt. In the next 12 years, Democrats vow to wipe out the publicly-held national debt.

Today, because of the success of the Clinton-Gore Administration, a debt-free America is within reach. This would free businesses to invest and innovate, it would provide an ever more sturdy foundation for future economic growth, and it would create good jobs. That's why Al Gore is determined to completely eliminate the publicly-held national debt by the

year 2012.

Budget Surplus/Deficit - Bush

George W. Bush

Austin, Texas

July 20, 2000

Balancing the Texas Budget

I am disappointed that the Vice President of all the United States would come to one of those states and try to mislead people about its budget.

Our Texas budget is balanced and in the black. We have a surplus of \$1.4 billion in the bank. For Vice President Gore to claim otherwise for his own political purposes is a travesty he should be ashamed.

Texas doesn't need the Vice President to lecture us about balanced budget every budget I have signed in Texas has been balanced, unlike the Vice President's own administration, which has left half of its budgets in deficit and in the red.

The Texas Legislature, Democrats and Republicans, will make an appropriation when it convenes in January to pay for higher than expected costs in Medicaid and prisons - we have more than enough money to pay those costs and we will do so.

Perhaps while Vice President Gore is in Texas, he will tell us exactly which of those costs he would not have paid: which senior citizens he would have thrown out of nursing homes, or which violent criminals he would have released to prey on the people of Texas.

Perhaps while he is in Texas he will also explain why he is criticizing our state, when his own federal government has cost overruns in 37 federal offices or agencies. And perhaps Vice President Gore should explain just why his own federal budget has a \$20 billion cost overrun in

Medicaid; a more than \$25 billion cost overrun in EITC; and a \$45.8 billion cost overrun in Social Security.

I am proud that under my leadership, working with Republicans and Democrats, Texas has increased spending for education, increased spending for health care, built and funded prisons, cut taxes by record amounts - and we still have a large surplus. Our rainy day fund is ten times larger than it was when I took office. And the federal government doesn't even have a rainy day fund.

I cut taxes in a fiscally responsible way, not once but twice - while Vice President Gore voted to increase taxes many different times, including raising taxes on Social Security benefits, raising taxes on gas, and voting to keep the highest tax rate at 70 percent - more than two thirds of someone's income.

The Vice President's efforts to distort and mislead are old style Washington attack politics and the people of America are justifiably sick of it.

To quote Bill Bradley, why should the American people believe Vice President Gore will tell the truth as a President if he doesn't tell the truth as a candidate?

All Al Gore proves when he claims Texas has a budget shortfall when it really has a \$1.4 billion surplus is that Al Gore himself has a serious shortfall when it comes to telling the truth.

This campaign is about what we've accomplished, working together in a bipartisan way in Texas and what Al Gore has failed to accomplish during his years in Washington. I welcome the debate.

George W. Bush

California Republican Party Convention

Austin, Texas

September 16, 2000

Budget Plan: Spending Discipline vs. Spending

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On the budget, I've offered a balanced, detailed plan that includes a tax cut, and leaves three of every four dollars of the surplus for urgent priorities: Social Security, Medicare, debt reduction, education, health and rebuilding our military.

My opponent has a plan for the non-Social Security surplus: He is going to spend it on new programs. He is going to spend it all – and then some.

The Senate Budget Committee did the math, adding up all the Vice President's daily promises. Every way you look at it, under any scenario, the Vice President uses every penny of the non-Social Security surplus and runs the government back into the red – by as much as \$900 billion.

So here is the difference between our plans.

My plan has spending discipline. His just has spending.

I can sum up my opponent's economic plan in one simple sentence: Keep sending too much of your money to Washington, because Al Gore thinks he knows how to spend it better than you do.

After a long career in Washington, my opponent is convinced the surplus is the government's money.

I say the surplus is the people's money.

...

George W. Bush

Green Bay, Wisconsin

September 28, 2000

Maintaining Prosperity – Returning the Surplus to the American People

Our government has a surplus, and our nation has a choice - one of the clearest choices of this campaign. Will we use that money wisely, or will we spend it on permanently larger government?

Today, America is projected to have a \$4.6 trillion surplus - extra money after the government budget grows. I see America's \$4.6 trillion surplus as an opportunity to protect and extend our present prosperity.

We will use half of the surplus to strengthen Social Security and pay down debt- national commitments that we must keep.

We will make important investments in Medicare, education, the environment and national defense.

And we will return about one fourth of the surplus to the American people, who earned it, paid it and deserve part of it back.

For me, this is a matter of principle. A surplus, after all, means a surplus of tax collection. It means Americans have been overcharged. And they should see some of that money again.

This tax reduction also serves another purpose. It is an insurance policy against recession. Putting more money into the hands of the earners and creators of wealth - before trouble comes - would give our current expansion a second wind.

My opponent has a plan for the surplus as well. He is proposing the largest increase in federal spending in 35 years - since the presidency of Lyndon Johnson.

Over two hundred new or expanded federal programs.

An estimated 20 to 30 thousand new Washington bureaucrats. Four hundred and twelve new regulations on Medicare - a plan that could double the size of the current bureaucracy.

More IRS agents - because targeted tax cuts mean targeted audits.

All this could amount to over \$2 trillion in bigger government over 10 years- costing about \$20,000, on average, for every household. To give you an idea of the amounts involved, think of it this way: the Gore spending plan proposes three times more in new spending than Bill Clinton proposed in 1992. If Gore gets elected, the era of big government being over is over. And so too, I fear, is our prosperity.

That staggering level of spending is one major difference between my opponent and me. But it is not the largest difference. We have two very different approaches to government.

For over a year, policy by policy, reform by reform, I have been defining a different role for the federal government.

I don't believe that government is always the enemy. It created Social Security and Medicare, built highways, won wars, helped end segregation. Yet government helps best when it empowers individuals, not when it builds bureaucracies. When it treats people as citizens, not as wards.

Some Americans - people challenged by hardship or tragedy - need a safety net. Without it, they have nothing.

But many more Americans just need a little help, so they can achieve on their own. They need tools, not rules; options, not orders.

I have proposed a prescription drug plan for seniors - giving them not only the help they need, but a choice in the matter.

I have a plan to expand health insurance for low-income people - by helping them afford the insurance they choose to meet their needs.

I have Social Security reform that lets people own a part of their

future.

My education reforms give low-income parents real options when their schools are failing - real influence they've never had before.

This is smarter, fairer, more effective government. A government that knows its limits, but shows its heart. We set out to reward people's own effort, their own labor, their own choices. We treat people with respect. We trust them to know their own interests and chart their own course.

My opponent once had some sympathy for these ideas. He has claimed to invent many things, but he did help invent the Democratic Leadership Council.

Senator Lieberman is also a member. This is an organization of more moderate Democrats who want to modernize Medicare and Social Security. Shrink the federal workforce and control spending. Use market-oriented ideas to help people in education and health care.

I don't always agree with this group, and they certainly don't always agree with me. But they are leaders - the kind of leaders I will work with should I become president.

But Vice President Gore has cast his lot with the old Democratic party. His promises throw the budget out of balance. He offers a big federal spending program to nearly every voting bloc. He expands entitlements, without reforms to sustain them.

And when others - Republican or Democrat - propose needed reforms in Social Security, Medicare or education, he opposes and then vigorously attacks them.

Just when progress on important issues seems within reach, my opponent has left the vital center of American politics.

For a time, it seemed that we had all moved on. The Vice President was seated right behind Bill Clinton at the State of the Union when the President declared: "The era of big government is over."

Apparently, the message never took. My opponent once seemed interested in "reinventing government"; now he seems interested only in expanding it. For him, big government has never really been dead; it has simply been biding its time, waiting for its next chance. The Vice President would like that chance to come next January.

But we have come too far, and learned too much, to go back to the old ways of tax and spend.

Alan Greenspan recently reminded us that when the government gets bigger, it is very, very hard to bring back down to size. And now spending usually costs more in the future than we ever expected.

This is what would happen under my opponent's plan. In four short years, he would leave obligations that would haunt our children for generations to come.

Social Security is the clearest example. The Vice President has a plan. He wants to issue bonds - government IOUs - to fill the social security trust fund. We'll just call those "Gore bonds." There is just one problem: Eventually, IOUs come due. Down the road - long after Al Gore has left public office - our children and grandchildren will have to pay these Gorebonds. That will mean a massive increase in taxes, or a massive reduction in Social Security benefits.

In fact, while I have ruled out new Social Security taxes, my opponent has not. There are only 40 days left, and I challenge him to make his intentions clear.

This is the economic case against my opponent's plan - the hard numbers. But there is another case as well.

Down his path, many of us will feel the expansion of government in our lives- working through a maze of bureaucracy to get health care, or tax relief, or help with education. We'll find ourselves working harder for the government - appeasing it, pleasing it, trying to keep it at bay. More

forms to fill out, more regulations to meet, more lines to stand in.

In all my opponent's plans, there is always some string attached, always some new set of rules to meet.

He offers marriage penalty relief - but only if you don't take the mortgage interest deduction. Child care - but not with grandparents or other relatives. A tax break on transportation costs - but only if you drive something called a hybrid electric gasoline engine vehicle.

With him, we can get a tax cut only if we behave as he wants us to, because we can't be trusted to spend our own money. The people who make the money, according to Al Gore, aren't as qualified as the people in Washington who take the money.

Low-income parents, my opponent seems to believe, should not be free to choose where their children go to school, because somehow an entrenched education establishment cares more about their children than they do. Al Gore says we can't direct any of our Social Security taxes into personal savings accounts, because Washington, by definition, is smarter than the rest of us.

Only some politically appointed panel can make health decisions, because, well, Mr. Gore is afraid the rest of us would just mess it up.

The contrast between our two economic plans could not be clearer.

I see our record surplus as an opportunity to save Social Security, provide families with tax relief, improve public education and extend our prosperity. My opponent sees it as the foundation for the permanent expansion of government, and his plan to spend it all would threaten our current prosperity.

I want tax reductions that are broad and fair. My opponent views tax cuts as a reward for good behavior, as he defines it.

I believe government should help people live their lives, not run their lives. My opponent believes in choices - but he makes most of them for

you. In this election, I am trying to earn the trust of Americans by trusting them in return. I want this country to have a president you can believe in -but also a president who believes in the people.

George W. Bush

October 11, 2000

TV Ad: "Gore-guantuan"

\$2.2 trillion dollars

[Announcer]:

2.2 billion dollars. That's a lot of money. 8,000 dollars for each American.

It's our government's projected surplus over the next 10 years.

(On screen: Total non-Social Security surplus, 2001-2010. Source:

Congressional Budget Office July, 2000)

Al Gore plans to spend it all and more. Gore's proposing three times the new spending President Clinton proposed, wiping out the entire surplus and creating a deficit again.

(On screen: Source: Clinton '92 and National Taxpayer's Union)

Gore's big government spending plan threatens American prosperity.

(On screen: Paid for by the Republican National Committee)

George W. Bush

Republican National Convention 2000

Philadelphia, Pennsylvania

Party Platform: The Republican Congress

We could have lost it all after the Democratic Congress passed the largest tax hike in history in 1993 that threatened to bring back the tax-and-spend follies of the bad old days. But the voters wouldn't have it and, in the next election, for the first time in forty years, they put Republican majorities in charge of both Houses of Congress. The difference that made can be put into numbers. In the four decades from 1954 to 1994, government spending increased at an average annual rate of 7.9 percent, and the public's debt increased from \$224 billion to \$3.4 trillion. Since 1994, with Republicans leading the House and Senate, spending has been held to an annual 3.1 percent rate of growth, and the nation's debt will be nearly \$400 billion lower by the end of this year. The federal government has operated in the black for the last two years and is now projected to run a surplus of nearly \$5 trillion over ten years.

That wasn't magic. It took honesty and guts from a Congress that manages the nation's purse strings. Over a five year period, as surpluses continue to grow, we will return half a trillion dollars to the taxpayers who really own it, without touching the Social Security surplus. That's what we mean by our Lock-Box: The Social Security surplus is off-limits, off budget, and will not be touched. We will not stop there, for we are also determined to protect Medicare and to pay down the national debt. Reducing that debt is both a sound policy goal and a moral imperative. Our families and most states are required to balance their budgets; it is reasonable to assume the federal government should do the same. Therefore, we reaffirm our support for a constitutional amendment to

require a balanced budget.



IN THEIR OWN WORDS
SOURCEBOOK FOR THE 2000 PRESIDENTIAL ELECTION

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