

articles, one of the plethora of articles that I distributed is a piece from the Omaha World-Herald, dated February 11, 1986, headline, tax incentives fail to create jobs, study says. You ought to take the time to read the piece, to read the piece. Look at what happened when Congress provided a ton of tax incentives in 1981, and look how business used the money. Ask yourself, after you read the piece, whether business used the money to create the new jobs or, instead, to provide dividends to stockholders. Read the piece then ask yourself whether business used the money for new capital formation, or instead used it for higher salaries for corporate executives. Read the piece.

SENATOR CARSTEN: One minute.

SENATOR V. JOHNSON: The truth of the matter is as far as I am concerned this tax incentive that we are determined to provide, so that we can have an even more favorable business climate than we have, we rank fourth, incidentally, under a very thorough national study, which I have passed out to you, is simply designed to, over the long business cycle period, reduce the level of business taxation, and obviously increase the level of individual taxation. This is not a good policy. It is not a good bill. I encourage you not to advance it.

SENATOR CARSTEN: Thank you, Senator Johnson. Senator DeCamp. Senator DeCamp, you are next.

SENATOR DECAMP: Mr. President, when I used the pots and pans example I did not, in any way, suggest, and Senator Vard Johnson certainly knows that, that retail inventory or that is covered under the bill, quite the opposite. It is the type of bill that will bring in a new industry, and a new job, and, and it is the type of bill that, as I say, you have results before, before you have any obligation. That is the essence of my example, the comparison of hiring somebody and paying them, whether they perform or not, as opposed to the contingent fee, if you would, for a lawyer. Since Senator Johnson didn't understand my pots and pans example, I will use the contingent fee example of a lawyer. He takes a case. He may expend an awful lot of effort. He may expend money. But you are not obligated to give anything except if he performs, if he wins. And then you are only obligated for a portion or percentage of what he has won, something you didn't have in the first place. So