

because he is using the figures now that he derives from his own staff. Bobbing, weaving, turning, and twisting all the time saying he wants a balanced budget but every few days coming up, "Well, we can do it in this number of years," changing to, "No. We can do it in that number of years." One of his advisers, Ms. Tyson, who says somewhere along the line we do not really need to have a balanced budget. It would hurt us to have one. The next day, I guess we really do. But we should not have it before 10 years.

Are these the comments, are these the actions, of a serious leader who really wants a balanced budget? Are these the actions of someone trying to get past the next election giving lip service to a balanced budget but not willing to do one thing—not willing to say to anybody that we cannot continue your program with a 10 percent increase a year, we can continue it maybe at 6.4 percent? I think the answer to that is clear.

But the President bobs and weaves, twists and turns, and now his latest impasse when legislation was sent down with the Medicare provision is that he cannot go along with the submission because it is rapping Medicare, and we are trying to do all of these terrible things. A person dealing with the complex issue who is willing to use scare tactics—and he has the most bully of all pulpits—is going to win that argument in the short run because you can scare people on these important matters and complex issues. It takes a while for it to set in. But the truth does set in, and it will set in just like on his health care plan.

The President now says with regard to Medicare part B—and everybody acknowledges that Medicare is in terrible shape, and going bankrupt—but he wants a temporary reduction in premiums until the next election, a temporary reduction in premiums when he and all of his advisors have acknowledged in times past that premiums are going to have to be increased. What is the difference between the increase that we are saying is going to be necessary to save it and the increase that the President says is necessary? Four dollars by the year 2002; a \$4 difference. We are \$4 higher than he is.

If he can convince the senior citizens and get them so excited, and appeal to the worst instincts of the American people in terms of greed and selfishness, that they are not going to be willing to make any incremental adjustment, even to the extent of \$4 for the benefit of the next generation, then I guess this is a hopeless cause. But I do not think we have come to that point yet.

But this is what he is trying to sell. This is what he is trying to sell at a time when it is going bankrupt, at a time when everybody knows we have to make some incremental adjustments. Between now and next November he wants actually those premiums to be able to decrease at a time when every-

body knows they have to go up a little bit, and even acknowledges it but he is waiting until after the election to do it.

Why resist the balanced budget this strongly? Because spending is a hard habit to break. I guess there is nothing more attractive politically in this entire world than the proposition and the idea of being able to have your cake and eat it too. And if the American people can be convinced that the President really wants a balanced budget but that we really do not have to do anything in order to achieve it, and that anybody who suggests we have to make incremental adjustment is against students, or against his own parents, or against retirees—if a person is willing to play that game, he is going to make some points. But he is not going to win because I think people understand that is a short-term game, and that we have a long-term problem; and that, if we will face up to what we need to do, we will have to make some short-term adjustments but we will have some long-term benefits that will inure to the benefit of our children and our grandchildren that we will be extremely proud of.

The Heritage Foundation just this month issued a report using a widely regarded model of the U.S. economy and found that balancing the Federal budget between 1996 and 2002, and cutting taxes, caused the economy generally to grow more than not balancing the budget and cutting taxes. According to this simulation that they used, the balanced budget plan with tax relief would mean that gross domestic product would grow by \$10.8 billion more than under current law by the year 2002. If we balanced the budget, we would get an additional \$32 billion in real disposable income over that period of time. If we balanced the budget, we would have an additional \$66.2 billion in consumption expenditures over that period of time. If we balanced the budget, we would have an additional \$88.2 billion in real nonresidential fixed investment over that period of time.

If we balanced the budget, we would have a decrease of four-tenths of 1 percent in the conventional mortgage rate in this country. That means that a balanced budget with tax relief will save a home borrower of \$100,000 about \$10,000 over the life of a 30-year mortgage. If we are concerned about working people and middle-income people in this country, we need to balance the budget. People out here trying to buy a home, seeing their wages stagnated, young working people's wages actually going down, interest rates being what they are, trying to borrow, what are they going to be if we do not balance the budget? The tax rate, some say, will be 70, 80 percent if we do not balance the budget—astronomical interest rates.

Here is the result if we do balance it: additional construction of over 104,000 new family homes over the next 7 years; the additional sales of 100,000 automobiles over the next 7 years

worth \$10 billion, and a decrease of 7 percent in the growth rate of the Consumer Price Index, a decrease in the Consumer Price Index for things that average people go to K-Mart, Wal-Mart, or whatever, and buy.

It is not all gloom and doom. It is not all gloom and doom. We are going to have to reduce the rate of growth in some of these programs without question. But after that, we stand to see real long-term benefits in this country.

So again, Mr. President, let us get back to the real issue. The real issue is whether or not we really want to balance the budget in this country and whether or not we really want to give any more than lip service to it. We are at a point now where we are either going to put up or shut up.

The President of the United States needs to know that there are many of us here who would like to work with the President. We would like to do this thing together. I think ultimately we are going to have to do a lot over the next several years to get this job done. It is not a 1-year deal. Ultimately, it is going to have to be Democrats and Republicans together, it is going to have to be the Congress and the White House. I would like to get on about that. But if he is going to continue to stand in the way of what we all know has to be done, he ought to know there are some people in town who are just as stubborn as he is. And if we were not willing to finish the job we came here to do, we would not have taken the job in the first place.

ORDER OF PROCEDURE

Mr. THOMPSON. Mr. President, I ask unanimous consent that the Senate now stand in recess subject to the call of the Chair.

Mr. EXON. I object.

The PRESIDING OFFICER (Mr. GRAMS). Is there objection?

Mr. EXON. I object.

Mr. THOMPSON. I suggest the absence of a quorum.

Mr. BUMPERS. Will the Senator yield for 1 minute? Will the Senator yield for 1 minute prior to the quorum call?

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. EXON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. THOMPSON. I object.

Mr. NICKLES. I object.

The PRESIDING OFFICER. Is there objection? Objection is heard.

The clerk will continue to call the roll.

The legislative clerk continued with the call of the roll.

Mr. BUMPERS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. NICKLES. I object.

The PRESIDING OFFICER. Objection is heard. The clerk will continue to call the roll.

The legislative clerk continued with the call of the roll.

Mr. EXON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. NICKLES. I object.

The PRESIDING OFFICER. Objection is heard. The clerk will continue to call the roll.

The legislative clerk continued with the call of the roll.

Mr. NICKLES. Mr. President, I ask unanimous consent that further proceedings under the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT

Mr. NICKLES. Mr. President, I ask unanimous consent that there now be 1 hour of debate equally divided under the control of Senator EXON for 30 minutes and Senator SANTORUM for 30 minutes; at the conclusion of that hour that the Senate would stand in recess subject to the call of the Chair.

The PRESIDING OFFICER. Is there objection?

Mr. EXON. Reserving the right to object, and I will not object, I would just correct that to say that I believe the intent is it would be under the control of Senator EXON or his designee. Is that correct?

Mr. NICKLES. That is correct.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. EXON. Mr. President, I yield myself 10 minutes under the unanimous-consent agreement just agreed to.

The PRESIDING OFFICER. The Senator from Nebraska is recognized for 10 minutes.

BALANCING THE BUDGET

Mr. EXON. Mr. President, those who are watching the debate on television might wonder why it was that it took us so long to get to this point. Actually, this Senator had sought recognition, the Senator from Arkansas was about to seek recognition, when we were suddenly cut off with the quorum call. I am glad that the Republicans have come back and seen the light to allow us at least to discuss a proposition that is very vital to America.

As I understand it, we are awaiting the offer by NEWT GINGRICH from the House of Representatives. It would be a continuing resolution to some time in the future, maybe 10 days, maybe 15 days, and stripped of all other extraneous matters except—I underline except—the proposition that we would have a balanced budget by 7 years using CBO's estimates.

That is exactly what was proposed to us yesterday during a conference that I was a part of. I will simply say to you, Mr. President, that this Senator is for balancing the budget in 7 years. I voted for a constitutional amendment to do that. The record of this Senator in fighting for control of spending in the

United States and getting our budget under control is very clear, if not legendary.

I would simply say, if we accept the continuing resolution that the Republicans have come up with, I would simply compliment them and compliment them and compliment them for the fact, after we have been pounding this podium now for almost a month, that they have finally conceded that they are not going to insist on making cuts in the Medicare proposals. At least that would be a major victory for us. And I salute them for finally recognizing the failure of their ways in that regard.

However, I would say, Mr. President, that if we accept the continuing resolution, then that continuing resolution is essentially what the Republicans offered to us yesterday, which was rejected by the administration and, I suspect, will be strenuously objected to by the majority of the Democrats. This is a shell game that is going on because, if we accept this continuing resolution, had we Democrats and the White House accepted yesterday this same offer that was offered to us in the daylong negotiations, we would essentially be locking in the Republican budget that they are trying to force down our throat and that of the American people.

They would essentially have guaranteed the \$245 billion tax break for the wealthy. They would essentially guarantee a dramatic cut in the projected spending of Medicare. They would continue the unfairness that is part and parcel of their budget. What this continuing resolution is, as I understand it, is another clever means—another clever means—of trying to fool the American people.

I emphasize that this Senator is for a balanced budget in 7 years. And as the Democratic leader on the Budget Committee, I am fashioning such a program that I will offer at an appropriate time. But I am not about to sign on, and I hope none of the Democrats will, and enough of the Republicans—to stop it. If they do not, the President will veto it, in any event.

I want to explain what they are doing. They are trying to put into law in the continuing resolution the basic unfairness of the budget that they are proposing. I would also point out, Mr. President, that all during the so-called budget deliberation, the Democrats have not been involved. I am a member of a conference with the House of Representatives on four matters: the debt ceiling; debt rescission bill that we hope to receive sometime tonight that they want us to vote on even before we see the numbers; the matter of the line-item veto, which I joined with the Republicans in getting passed, but after we passed it they wanted to make sure that this President did not have a line-item veto until they got their unfair budget bill passed; and I am also a conferee on the defense authorization bill, which is a very, very important matter.

I would simply say that in all of these matters, Mr. President, I am a conferee, but I have not even been conferred by the Republicans. They have gone behind closed doors, shut out the minority Democrats, done what they want, stamped "Republican fairness" on it, and sent it on its merry way.

Mr. President, there is so much wrong with the procedures that are going on in the U.S. Senate today that I am ashamed, and I would best describe it as "a swamp." It is not part of the deliberative body that this body has been known for for a long, long time.

To sum up as best as I have ever seen it summed up was an editorial in U.S. News & World Report, that of November 13, 1995, by David Gergen. I am going to read that, Mr. President, because I think it puts all this in proper perspective. It exposes this once and for all by David Gergen, who is now an editor at large with the U.S. News & World Report, but is better known as a very prominent Republican who served with great distinction in the White House under President Ronald Reagan.

Here is what he has to say in the editorial of the date I mentioned:

THE GOP'S "FAIRNESS DOCTRINE"

Give credit where ample credit is due: True to their campaign promises, Republicans in Congress are forcing the country toward a balanced budget. Only once since the Eisenhower presidency has the nation written its ledgers in black ink. Now, doing what Democrats would not, the new GOP majorities are trying to restore a habit of self-discipline.

But in the eagerness to satisfy one principle, fiscal responsibility, the Republicans would ask the country to abandon another, equally vital, principle—fair play. This is a false, cruel choice we should not make.

When George Bush and then Bill Clinton achieved large deficit reductions, we pursued the idea of "shared sacrifice." Not this time. Instead, Congress now seems intent on imposing new burdens upon the poor, the elderly and vulnerable children while, incredibly, delivering a windfall for the wealthy.

Proposals passed by the House and Senate would rip gaping holes in the nation's social safety net, already low by standards of advanced nations and once considered sacrosanct. Consider how much Congress would extract from projecting spending for key social programs over the next seven years: \$169 billion from Medicaid, \$102 billion from welfare, \$27 billion from food assistance, \$133 million from Head Start, at least \$23 billion from the earned income tax credit—a program enacted in the 1970s that Ronald Reagan called "the best antipoverty, the best pro-family, the best job-creation measure to come out of Congress."

This assault doesn't even count the \$270 billion reduction in projected spending for Medicare that is frightening senior citizens and could further squeeze public hospitals. Nor does it include the possible elimination of federal standards for nursing homes—standards signed into law by Reagan to stop rip-offs of the elderly.

Now consider how our more fortunate citizens make out under these proposals:

Left largely unscathed are billions in subsidies, tax loopholes and credits for corporations.