

Left largely untouched are many sacred cows—such as the mortgage interest deduction—that benefit middle- and upper-income groups.

And for sweeteners, Congress would throw in \$245 billion of tax cuts (especially wrong-headed because well-to-do Americans aren't seeking them while hard-pressed Americans won't qualify for them).

U.S. News reported last week that internal studies by the executive branch estimate that the lowest 20 percent of the population would lose more income under these spending cuts than the rest of the population combined. At the other end, the highest 20 percent would gain more from the tax cuts than everyone else combined. Republicans are probably right that these estimates, coming from Democrats, are skewed. But no one disputes the basic contention that the burdens and benefits are lopsided. In a nation dividing dangerously into haves and have-nots, this is neither wise nor just.

Arguments advanced by proponents simply aren't persuasive. States will take over many of the social programs, it is said, and will make the poor whole. Huh? Who believes that in this climate state legislatures will raise taxes to help poor kids? Many of these social programs are broken, it is said, so they must be overhauled. True, there are many abuses, but we should protect the truly needy while we punish the greedy. Sometime tomorrow, it is said, balancing the budget will help everyone in the younger generation. True, but why shouldn't we all share the same sacrifices today?

Ronald Reagan is often invoked as the patron saint of this revolution. How soon we forget that as president, Reagan insisted that seven key programs in the safety net—Head Start, Medicare, Social Security, veterans, Supplemental Security Income, school lunches and summer jobs for youth—would not be touched; now, six of those seven are under the knife. Reagan believed, as he said in his memorable address accepting his party's nomination in 1980, that "we have to move forward, but we're not going to leave anyone behind."

That sentiment should guide upcoming budget negotiations between Congress and the White House. It expresses America's true spirit. We know that government must be changed and respect Republicans for trying when Democrats would not. But Americans also believe in another grand tradition—fair play.

What we are going to be voting on tonight is another Republican trick. It is not fair play. I hope that the debate will follow, and I hope that we will be allowed to offer some amendments by the Democrats that will be fair.

I yield the remainder of my time, half of it to the Senator from Arkansas and the other half to the Senator from California.

Mr. SANTORUM addressed the Chair. The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SANTORUM. Mr. President, I yield 10 minutes to the Senator from Wyoming.

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

BUDGET CONFRONTATION

Mr. SIMPSON. Mr. President, I thank the manager for the time, and I thank the Chair.

I think the people of America must be getting pretty tired of this by now.

My hunch is they are. My hunch is, in real-life America, they are saying, "What are these jerks up to?" That means the President, that means the people in Congress, that means all of us. That is what we are looking at.

And they must be just numb, as we are sitting here arguing about whether to go 4 or 5 bucks more a month on a program which is called part B premiums on Medicare, which is voluntary anyway. You do not have to belong. I mean, it boggles the mind.

One of the fascinating things about coming to the Senate is the experience of living in two realities. There is one that you actually live, and there is another one that you read about in the papers. That is an interesting one, too. Sometimes I wonder if, indeed, there is any possible correlation between the two.

A case in point is this current standoff, this Government shutdown. The headlines and the television would indicate that it is nearly—nearly—the same as Three Mile Island, which was back in 1979. That got a lot of hysteria. The plume was supposed to be floating towards Washington to paralyze us all in our sacks at night. This is the kind of stuff that goes with this business. Any time you have 24-hour-a-day news, you have to find the news to stick in it, and, boy, they stick it in.

This confrontation about the budget has inspired the media to new heights of hysteria, about the President bringing the Government to a halt. They say, "No, no, the President didn't do that; the Congress did that." I would like to remind my colleagues about a fact or two, because one can watch all the television, read the newspapers in utter vain until your eyes pop out of their sockets and see the television until you get a migraine, and you will never hear described what has really happened here.

What has happened is that the President decided to shut down the Government. I hope you heard that. We in the Congress sent him continuing resolutions, called CR's—you have heard that before—to keep it going. And he said, no, that he was going to shut it down.

There are people lobbying the Congress now about this matter trying to pressure us into "doing something about it." Someone does not realize what has happened. We cannot force the President to sign our resolutions to keep the Government operating. I hope you hear that. He does, indeed, have the power to shut the Government down, and he has. It is not something which can be changed by lobbying the Congress.

So that is just one little item that seems to have glanced off the simian skulls of many of the Nation's media for reasons quite unclear to me.

Here is another one. The President decided to veto our first continuing resolution, he said, because of a necessary measure to maintain Medicare premiums at a constant fraction of program costs.

Just a few raw facts about that particular action. Fact 1: The President himself, his very self, endorsed increases in Medicare part B premiums. Has anybody missed this, that the President of the United States has asked for these? And they are within \$5 of where Republican budgets have been headed. I hope that everyone will hear that one.

Medicare part B, fact 2, was originally structured so the beneficiaries pay 50 percent of the program costs and the general taxpayers the other 50 percent. We have now let it slip to 31 percent, and if we did not take that action to arrest that decline, it would have dipped to 25 percent next year, meaning that we would have raised the effective taxes on the American public up to 75 percent of all of this program cost.

That was the action that the President was demanding when he blocked the Medicare provision. He was demanding that we increase the taxpayers' contributions to the program to 75 percent of the overall program costs. That is called raising people's taxes.

Guess who is paying the taxes? Thirty-one percent is paid by the beneficiary, regardless of their net worth or their income in a voluntary program. No one can refute that. I challenge anyone.

So 70 percent, 69 percent paid by Joe Six-Pack and now the President wants to have Joe Six-Pack paying 75 percent of the premium and doing things for the little guy? The drinks are on me.

Fact 3: Taking that action, blocking that measure will vastly worsen the deficit outlook in the years to come, because it would require the Government, that is, taxpayers, and I hope somebody has that figured out, who this Government is, to spend more and more on Medicare part B than it otherwise would. So the President was making a stand here for higher deficits. I guess that is what he wanted to do.

Fact 4: The President did not do this to protect Medicare beneficiaries from Republicans—evil Republicans—for he had already endorsed restraints on the growth of Medicare that are almost exactly the same as Republicans have. This President said he wanted a 7.1 percent annual growth limit in his own package, his budget, just assumptions—at least he said 7.1. What do Republicans want to do? Let it go up only 6.4. So we are seven-tenths of 1 percent apart and shutting down the Government.

So let us not be bamboozled into thinking that this was some principled stand, if you will, to hold Medicare harmless.

Fact 5: The President got his own way. We offered him a clean continuing resolution, no Medicare provision. Yet, he has kept the Government shut down. So what are we and the people to make about all of this? I would opine that the President has forgotten one essential factor needed for a man who

intends to stand on principle: There has to be a principle there to stand on.

What does he want now? What will convince him to let the Government operate again? We have offered him a clean continuing resolution, if only he will work with us to balance the budget in 7 years. He said he wanted to balance it in 5, 7, 8, 9, and 10—pick one, any one. That, my colleagues, is the sticking point. The administration will not agree to that.

The President would sooner keep the Government shut down than to work with us—while stockpiling mountains of debt upon our children and grandchildren—at least until after November 1996. Then there will be lots of scurried action, you bet, patching together a limping Nation, but not until after November 1996. The President is hung up over a couple of requirements. One is that he does not want to agree in advance to a deadline for a balanced budget. That, very simply, is because he simply has no plans to balance the budget. Thus, he refuses to be held to any standard which would require that this be done.

The other serious problem he has is that if he refuses to adopt the standards which he himself previously had endorsed—even demanded and required—and that is a certification by the Congressional Budget Office. He well knows that if real numbers are used, if the books are not cooked, then none of his own proposals will be judged to balance the budget and will never see the light of day. And he is out, then, on the statement he made at the State of the Union Address a couple of years ago when he said, "Let us use CBO numbers, ladies and gentlemen, no more phony numbers. Let us use Congressional Budget Office." And everybody cheered. What numbers do we use now? OMB. I know that sounds like inside baseball. I call it deception.

That is the problem. The President is saying: Let me cook the books, let me avoid any deadline for balancing the budget, and I will set Government running again. That does not sound like much of a principled stand to me.

Let us try to look at this from the President's point of view for a moment. Consider what would happen if he did agree to try to balance the budget in 7 years, using real numbers, without gimmicks and chicanery in the books, and without assumptions and all the stuff we have seen both administrations use for decades; then he would have to agree with the Congress as to making really tough decisions. Then he would have to take a long, hard look at what is really happening in Medicare, and that it is going broke. His own trustees are telling him that—people he appointed, people of the stature of Robert Rubin, Robert Reich and Donna Shalala. He would have to give up the pretending.

He would have to give up the posturing and the pretending that he is the great defender of unlimited spending on the poor, the elderly, the veteran,

the downtrodden, everybody. He can choose to pose now as their greatest protector because he is held to no standard at all of budgetary responsibility—none. But if the standard is required of him, then suddenly he cannot continue to say what he has been saying, that he can shield these vulnerable folks from evil depredations and balance the books all at the same time.

So that is where we are. This whole Government shut down as a result of a gap between the administration's rhetoric. They claimed to want to balance the budget 18 times in one speech yesterday, and they simultaneously claim that no favorite political constituency in this land, not a single sacred cow, needs to be touched. On the other hand, the reality is that some severe, very tough choices have to be made in order to balance the budget. The American citizens know it, and everybody in this Chamber knows it.

As soon as the administration is held to an honest standard of accountability, this gap will be exposed. And, politically, the administration simply cannot bear to face that. So they are going to keep the Government shut down.

This is a curious version and vision of leadership. The administration will not be able to play this game forever. It will be great for a short period of time. It is going to be a lot of fun. They received a temporary boost from playing the Medicare political card. But I do not think in any long-term way the public will believe that refusal to commit to balancing the budget is any worthy or worthwhile lesson or reason to shut down the Government of the United States for 5 bucks a month on a program that is voluntary, which in any other society would be called an income transfer, because 70 percent of it is paid by Joe Six-Pack, and 30 percent of it is paid by the beneficiary, regardless of their net worth or income. No wonder the people think we are nuts.

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

A BALANCED BUDGET

Mr. BUMPERS. Mr. President, I yield myself 10 minutes. There is so much to be said on this subject and not very much time. I want to begin by following up on what my good friend from Nebraska, Senator EXON, said a moment ago. I do hope that we do not have any further abuse of the rules by trying to silence the minority and put in a quorum call and object to it being called off, because there are Senators on this side who want to speak. That is the kind of things they do in Third World nations, Mr. President.

We are a body of Senators who are supposed to be deliberating. We cannot deliberate if we do not get the floor to speak, and we cannot speak when this place is in recess. We all know what is going on here. There is an obvious ef-

fort to silence people. I am not going to be silenced. I am like Patrick Henry—I'm willing to sit here all night to say what I am going to say.

The other thing the Senator from Nebraska brought up is that no Democrat—not one—has been invited to participate in a conference on the so-called budget reconciliation bill. We are not even permitted in the room. The first time, probably, in history, that the minority has been completely shut out of conference. I have only been here 21 years, but it is the first time I have ever seen anything like it in my life. Normally, when the House and Senate pass different versions of a bill, they select conferees—and there are more Republicans when they are in control and more Democrats when we are in control. The conferees resolve the differences between the two bills and they send the conference report to both Houses.

This body is going to be asked to vote on Friday on the budget reconciliation bill, on which not one Democrat has even been offered the opportunity to amend, or even offer an amendment. So when the President says, no, I am not going to accept the Republican so-called 7-year budget balancing act, it is not because he does not favor a balanced budget.

I heard the Senator from Tennessee earlier tonight say that is what all of this is about. I say to all Senators, if that is all this were about, we would be recessed and home by now.

The President wants a balanced budget. The House and the Senate want a balanced budget. The American people want a balanced budget. But the President is not going to sign a bill with garbage on it which has no place on it. And he is not going to sign a bill which commits him to a reconciliation bill that is absolutely devastating to the values of this country.

What are we doing? Here is that sacred document called the Constitution. It is the reason we are still a free nation. What does it say about the Presidency? Just so you will not think I am making this up, I will read it.

Every Bill which shall have passed the House of Representatives and the Senate, shall, before it becomes a Law, be presented to the President of the United States; if he approve he shall sign it, but if not he shall return it with his Objections to that House in which it shall have originated, who shall enter the Objections at large on their Journal.

The mother tongue is English. I just read, in English, the Constitution which says if the President approves, he will sign it. If he does not approve it, he will send it back.

I will not take the time to read the rest of it, but then it says the bill shall go back to the House where it originated and that House shall vote to override the President's veto by a 67 percent vote. And if they do it, it will be sent to the other House.

What are we doing here? The President vetoed the continuing resolution. There is no effort to override it. They