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 President, I ask unanimous consent that the order for the quorum call be rescinded.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

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