caught in a bit of a time warp. They say that China is of the utmost importance because—because—well, they cannot say because of the Soviet Union because it's gone. So they simply insert the word ''trade'' where ''Russia'' used to be and make the argument as best they can.

Madam President, that won't do for a trade policy. It is short-sighted, risky, and just plain dumb to ignore massive trade violations such as those practiced by China. We cannot go on like this forever, Mr. President, with China stealing more and more of our intellectual property rights, throwing up barriers to our goods and causing our trade deficit to go ever higher.

I hope I'm wrong. I hope that by this time next year an enlightened China will be operating in a free trade atmosphere under the rule of law, welcoming our goods and services as we do its. If so, I will be an enthusiastic supporter of renewal. But I don't believe it for a New York minute.

On the other hand, Madam President, let me say that if China has not reversed herself on these trade violations by next year, I will vote against MFN renewal. I hope my critics prove me wrong, but if not I will personally lead the fight on the Senate floor against it.

You do not encourage free trade by allowing violations of free trade. If, in fact, free trade—and not appeasement—with China is our goal, then we must let the Chinese know that they must play by the rules or face penalties. That is what we demand of our other trading partners, and that is what we should demand of China.

Mr. President, I am not at all insensitive to the exhortations of American companies who stand to lose money and contracts in the short term if MFN is not renewed. I take that very seriously, and I hope that we may have a strong, vibrant trade relationship with China—but that is possible only if China ceases its destructive practices. Now, Madam President, representing, as I do, a very trade-dependent State, it would seem the easiest thing in the world for me to go ahead and express my full support for MFN without reservation. There are certainly a lot of people who would like me better if I did. But the easiest things are not always the best, and I consider it my highest duty to think ahead to the best interests of my State and the country. And I do not think it in our best interests to continue in our current policy.

If we don't take a firm stand with China, and if China does not cease and desist, I fear that our relationship will degenerate into one in which we are the constant appeaser and China is the constant violator. In the long run, our current passivity could come back to haunt us.

A constituent and a good friend of mine has made this point eloquently. He is involved in several investment efforts in China and writes:

I believe that . . . the United States will have to take the lead for the rest of the free trading world and stand up to China's rapacious trading behavior by denying MFN extension. I recognize that taking this position is not in my own short term interest. Nevertheless, I can't let immediate short term interest stand in the way of that which is right and that which I believe will, over the longer term, provide a superior result.

Madam President, I couldn't put it any better. For all we know, China may soon step up its illegal practices and trade violations to encompass not just intellectual property rights and agricultural products, but planes and other American products as well. We are setting a bad, potentially dangerous, pattern. We must stop it soon, or we may soon regret it.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1997

The Senate continued with consideration of the bill.

AMENDMENT NO. 4345

(Purpose: To ensure that the total amount authorized to be appropriated by the bill does not exceed the total amount of the authorizations of appropriations reported by the Committee on Armed Services)

Mr. EXON. Madam President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Nebraska [Mr. EXON], for himself, Mr. KOHL, Mr. BINGAMAN, Mr. LEVIN, Mr. DORGAN, and Mr. WELLSTONE, proposes an amendment numbered 4345.

Mr. EXON. Madam President, I ask unanimous consent reading of the amendment be dispensed with.

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

The amendment is as follows:

After section 3, insert the following:

SEC. 4. GENERAL LIMITATION.

Notwithstanding any other provision of this Act, the total amount authorized to be appropriated for fiscal year 1997 under the provisions to this Act is $263,362,000,000.

Mr. EXON. Madam President, there are several important cosponsors of this amendment. One is on the floor at the present time. I simply inquire of the Senator from Wisconsin—and I have agreed to yield him 7 minutes—if his time will allow him to wait, I will make opening remarks. However, if the Senator is cramped for time, I will yield at this juncture.

Mr. KOHL. Madam President, I will wait for the Senator from Nebraska to deliver his opening remarks.

Mr. EXON. I thank my friend from Wisconsin for his usual courtesy.

Madam President, the amendment I have just sent to the desk is on behalf of myself, Senator BINGAMAN, Senator KOHL, Senator DORGAN, and Senator LEVIN. This amendment reduces—Madam President, reduces—the total funding level in the bill by $4 billion. This would still allow, I emphasize, this would still allow an increase—increase—in the President's request of $9.0 billion. A $9 billion increase would be allowed even if the Exon amendment is accepted. This is an increase of $155 million —an increase of $155 million—above this year's funding level.

To put that in perspective, I have a chart to which I will direct the attention of the Senate. It is headed ''Comparison of the Fiscal Year 1997 Defense Spending Proposals.'' Billions of dollars are on the left side, with the first graph showing $263.2 billion, which would be if we had just taken the whole defense budget and froze it at last year's level, $263.2 billion. Under the Exon proposal, from the standpoint of last year, there would be an increase of something around $200 million or up to $263.4 billion, an increase of about $200 million still going up in national defense over last year's expenditures.

Compare that, if you will, with this big broad green graph on the right. If we go with the defense authorization bill that is presently before the Senate, we would balloon that to $267.4 billion for the same time period of fiscal year 1997.

Madam President, this amendment is a modest attempt, and I underline the word modest, a modest attempt to control Federal spending within reason, reduce the budget deficit and eliminate wasteful spending.

The bill before the Senate contains some $4.6 billion more than the Pentagon requested for fiscal year 1997 or for any of the next 5 years. I think the Congress could easily be able to identify $4 billion, either from this pork-barrel-laden $4.6 billion or from other sources to meet the requirement of this amendment.

Madam President, we are debating legislation that increases the Pentagon's request by a whopping $13 billion, nearly double last year's increase of $7 billion. At a time when we are considering deep reductions in Medicare, Medicaid, education, the environment, and other programs, I find it absolutely astonishing that between last year and this year we are proposing to give the Pentagon $20 billion more—to give the Pentagon $20 billion more—than the Pentagon had requested. Certainly in this case it is not the Pentagon that we can blame. The Pentagon came forth in cooperation with the President with what I thought was a workable program.

Madam President, I am under no illusion whatever. I understand the dynamics and the politics of the situation. I understand that Congress will, inevitably, increase this year's defense request, although it is still uncertain whether the President will sign a bill calling for such an excessive increase of $13 billion.

What this Senator from Nebraska is saying is, rather than $13 billion, maybe if the President recognizes that we just reduce that to $9 billion over his request, there may be some chance of avoiding a veto.

Before this Congress sanctions this $13 billion increase, I think we should first examine how the majority proposes to spend it. For several weeks we

have been hearing that most of the increase will be devoted to accelerating acquisition of weapons systems that the Pentagon wanted in future years but could not afford this year. If that were true, some of the increase would almost seem reasonable under that argument.

We have since learned otherwise. According to the Defense Department itself, of the $12 billion this bill adds for procurement, research and development, the so-called modernization—that is a great term; for modernization—$4.6 billion of that, or almost 40 percent was neither in the Pentagon's 1997 request nor in its 5-year plan for 1997 through the year 2001.

This second and last chart that I reference at this time I think elaborates and demonstrates the size of this increase. As I have just said, increases to the Pentagon's fiscal 1997 request for procurement and research and development is vividly demonstrated here. $11.4 billion is the total; $4.6 billion was not even in DOD's 5-year plan.

That is some way for conservatives to budget. I simply say that the budget request that was suggested by the Pentagon, and recommended and approved by all of the people in the Pentagon, was aimed at long-range budget planning that was realistic. And I might add, it was approved and endorsed by the Secretary of Defense, the joint staff, and the individual service chiefs, as the optimal way of allocating the roughly $1.3 trillion that both parties agreed to spend on defense over the next 5 years to fulfill our joint military requirements.

Madam President, I should also note that the Pentagon has calculated that, over the next 5 years, increases for these items not in its 5-year plan would cost $25 billion. Let me say that again, Madam President. This plan that is being forced down the throat of the Pentagon and the President would cost $25 billion above and beyond what is already budgeted for. In essence, it amounts to an unfunded mandate on the Pentagon.

To bring this point home, Madam President, I will read a letter dated June 26 from John White, the Deputy Secretary of Defense, written to Senator DASCHLE:

In response to your question with regard to the funding levels contained in the FY 1997 Department of Defense Authorization Bill, I want to assure you that the President's defense budget and Future Year Defense Program (FYDP) as submitted to the Congress is sufficient to meet the security requirements of the Nation and to satisfy the policy directions of the Administration. Three times in three years the President has increased the level of resources made available to the Department to support the Bottom Up Review. We can achieve the objectives of the national security strategy with the resources requested by the Administration.

I am particularly concerned that many of the proposed increases contained in the Defense Bill now under consideration are for systems or programs which are not included in the Department's FYDP. These increases bring with them funding tails for the out-years which could limit future production of critical technologically advanced modernization programs now in development.

Madam President, that drives home the point that I referenced just a few moments ago about this $25 billion above and beyond what has already been budgeted for. Let us look at some of these increases. Let us look at some of the programs that these increases propose to embrace. Remember, Madam President, none of them was in the Pentagon's 5-year plan. I am going to mention a few: $202 million for the Navy's Distributed Surveillance System; $183 million for the Army's AH–64 Apache helicopter; $158 million for the Army Kiowa Warrior helicopter; $234 million for Navy's F/A–18 C/D fighter; $107 million for the Air Force's F–16 C/D; $205 million for the Air Force's WC–130.

There are some 100 examples, none of which are in the Pentagon's comprehensive 5-year plan.

You can spend all day looking for them, and you will not find them. They are an expensive collection of pet projects, congressional pork, and outright wasteful spending. These increases are precisely the sort of deficit and budget-busting spending that would be subject to the line-item veto, if Congress had given that power to the President this year, as we once voted for here in the U.S. Senate.

I ask unanimous consent that a complete list of these increases be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FISCAL YEAR 1997 SENATE DEFENSE AUTHORIZATION BILL: SUMMARY OF ADDS NOT IN THE PENTAGON'S 5-YEAR PLAN

[In millions of dollars]

	Total adds in bill	Adds not in 5-year plan	Percent of total add not in FYDP
RESEARCH, DEVELOPMENT, TEST & EVALUATION (RDT&E)			
Army	653	342	52
Navy	1,717	685	40
Air Force	555	160	29
Defense-Wide	1,185	278	13
Total	4,109	1,465	36
PROCUREMENT			
Army	2,269	1,053	[1] 46
Navy	3,357	506	[1] 15
Air Force	1,430	777	[1] 54
Defense-Wide	830	760	[1] 92
Total	7,885	3,095	39
Grand total	11,994	4,560	[1] 38

[1] Percent of total add not in 5-year plan.

Note: Prepared by Senate Budget Committee, based on DoD Comptroller Data.

Fiscal year 1997 Senate defense authorization bill: List of adds not in the Pentagon's 5-year plan

[In millions of dollars]

Research, Dev., Test & Evaluation (RDT&E)	
Army:	
Weapons and Munitions Technology	20.0
Nautilus Thel	25.0
Tractor Red	3.5
Landmine Warfare and Barrier Advanced Technology	4.0
Tractor Dump	13.6
Armored System Modernization: Advanced Development	12.0
Javelin	4.5
Air Defense Command, Control, and Intelligence—Eng. Dev	61.8
Longbow: Engine Development	12.0
Force XXI Initiatives	100.0
DoD High Energy Laser Test Facility	21.7
Missile/Air Defense Product Improvement Program	55.0
Other Missile Product Improvement Programs	9.0
Subtotal, Army RDT&E	342.1
Navy:	
Surface/Aerospace Surveillance and Weapons Technology	9.0
Surface Ship Technology	6.0
Air Systems and Weapons Advanced Technology	7.5
Ship Propulsion System	8.0
Advanced Submarine Combat Systems Development	48.0
Advanced Submarine System Development	60.0
Gun Weapon System Technology	27.0
Other Helicopter Development	11.0
Electronic Warfare Development	65.0
Aegis Combat System Engineering	21.9
Arsenal Ship	147.0
Airborne Mine Countermeasures (MCM)	10.0
Distributed Surveillance System	202.0
Marine Corps Program Wide Support	40.0
Joint Service Non-Lethal Weapons Technology Program	15.0
Acquisition Center of Excellence	8.0
Subtotal, Navy RDT&E	685.4
Air Force:	
Advanced Spacecraft Technology	75.0
Variable Stability In-Flight Simulator	1.4
Rocket Systems Launch Program (Space)	25.1
F–15E Squadrons	29.0
Advanced Medium Range Air-to-Air Missiles	10.0
Sensor Fused Weapons	19.1
Subtotal, Air force RDT&E	159.6
Defense-Wide:	
Anti-Satellite Program (ASAT)	75.0
Tactical Technology	3.0
Materials and Electronics Technology	15.0
Defense Nuclear Agency	12.0
Experimental Evaluation of Major Innovative Technologies	72.3
CALS Initiative	14.0
Environmental Security Technical Certification Plan	8.0
Boost Phase Intercept Theater Missile	15.0
National Missile Defense-Dem/Val	50.0
Other Theater Missile Defense/Follow-On TMD Activities-Demo	10.7
Defense Support Activities	3.0

Fiscal year 1997 Senate defense authorization bill: List of adds not in the Pentagon's 5-year plan—Continued

[In millions of dollars]

Subtotal, Defense-wide RDT&E	278.0
Total, RDT&E	1,465.1
Procurement	
Army:	
Aircraft:	
C–XX (Medium Range) Aircraft	35.0
AH–64 Apache Attack Helicopter	183.0
CH–47 Cargo Helicopter Modifications (Multi-year Program)	52.3
Kiowa Warrior Helicopter	158.4
Subtotal	428.7
Missile:	
Mobile Launcher Rocket Systems (MLRS)	147.0
Patriot Modifications	12.0
Avenger Modifications	29.0
Dragon Modifications	25.0
Subtotal	213.0
Weapons & Tracked Combat Vehicles (W&TCV):	
Field Artillery Ammunition Support Vehicles	50.8
Howitzer, Medium SP FT 155mm M109A6 (Modification)	61.2
M1 Abrams Tank (Modification)	26.5
Medium Machine Guns (Modifications)	20.0
Subtotal	158.5
Ammunition:	
CTG Mortar 60mm Illum M721/M767	7.0
CTG Mortar 60mm HE M720	12.5
Proj Arty 155MM HE M795	55.0
Selectable Lightweight Attack Munitions (SLAM)	3.0
Armament Retooling Manufacturing Support (ARMS)	58.0
Subtotal	135.5
Other:	
Medium Truck Extended Service PGM (ESP) (PREV SLEP)	3.0
Inland Petroleum Distribution System	33.0
Items less than $2 million (Construction Equipment)	54.0
Base Level Commercial Equipment	27.0
Subtotal	117.0
Total, Army procurement	1,052.7
Navy:	
Combat Aircraft and Weapons:	
F/A–18C/D (Fighter) Hornet	234.0
EA–6 Series	33.3
F–18 Series	50.0
H–53 Series	14.0
Tomahawk Modifications	14.4
Subtotal	345.7
Shipbuilding & Conversion: Oceanographic Ships—SWATH	45.0
Subtotal	45.0

Fiscal year 1997 Senate defense authorization bill: List of adds not in the Pentagon's 5-year plan—Continued

[In millions of dollars]

Other: Oceanographic Support Equipment	6.0
Subtotal	6.0
Marine Corps:	
155mm CHG, Prop, Red Bag	24.0
155mm D864, Base Bleed	45.0
FUZE, ET, XM752	29.0
AN/TPQ–36 Fire Finder Radar Upgrade	1.7
Trailers	9.3
Subtotal	109.0
Total, Navy procurement	505.7
Air Force:	
Aircraft:	
F–16 C/D (Multi-year Program)	107.4
WC–130	204.5
B–1B	56.5
AWACS Reengineering	109.0
Other Aircraft	21.2
DARP	182.2
Subtotal	680.8
Missile:	
HAVE NAP	39.0
AGM–130 Powered GBU–15	40.0
Conventional ALCMs	15.0
Hard Target Smart FUZES	2.0
Subtotal	96.0
Total, Air Force procurement	776.8
Defense-wide: National Guard & Reserve Equipment	759.8
Total, Defense-wide procurement	759.8
Grand total, procurement	3,095.0
Grand total RDT&E	1,465.1
Grand total, procurement	3,095.0
Super-total	4,560.1

Mr. EXON. Madam President, these programs, in the opinion of most senior military leaders, are unnecessary. Even if the Pentagon had the money, the Secretary of Defense and the Joint Chiefs have said that they would not fund these programs this year, not next year, not in 1999, not in the year 2000, and not in the year 2001.

Since both the administration and the Republican majority propose to spend virtually the exact same amount on defense over the next 6 years, funding these programs directly takes away from others that the Pentagon says it needs. Is this a way to budget responsibly for our national security? I suggest not. Is this a way we should spend the taxpayer's hard-earned dollars? I think not.

Some of my colleagues will assert that some of these increases are justified because they were included on one of the infamous wish lists that the services circulated on Capitol Hill. But none of these service lists was ever approved by the joint staff, who determines what is necessary. They are the experts.

It seems to me that we should realize and recognize that the full coordination with the services and our joint military needs should be kept in mind when we implement our military strategy.

Over the past 40 years, Congress has worked hard in a bipartisan manner to strengthen the joint capabilities of our armed services—first, by unifying the command of the services under the Secretary of Defense, and then by creating a strong joint staff and a strong Chairman of the Joint Chiefs of Staff. This year's use of the wish lists directly undermines 40 years of work by promoting the services' parochial interests at the expense of our overall national defense strategy.

Madam President, I believe my friend and colleague on the Armed Services Committee, Senator COATS from Indiana, a dedicated Republican, who has great knowledge of national defense issues, summarized the situation well when he said at a conference on April 24, 1996:

> Few priorities on the ''wish lists'' stress how the programs can improve joint warfighting capabilities. It seems counterproductive that the services would work to a consensus . . . only to deviate from this course during the authorization cycle. . . Such lists are not effective ''gap closers'' when they do not adhere to a logical, overreaching defense plan.

So the fact that some of these increases in the defense authorization bill were on a wish list is in reality no justification whatsoever for Congress to fund them.

Madam President, how long can this Congress continue doling out scarce discretionary funds to the Pentagon with this blank check philosophy? As many have warned, spending of the taxpayers' dollars so irresponsibly will undermine the public's confidence in the Congress as well as erode its support for adequate funding for national defense.

We have heard many speeches about how we need to cut unnecessary Government spending. This is an ideal opportunity for Senators to stand up and do just that.

This amendment is reasonable. This amendment is moderate. I wish we could do more. I am willing, although reluctantly, to give the Pentagon this year an additional $9 billion for programs it did not request this year. I am even willing to give the Pentagon an additional $600 million so that it can fund so-called congressional priorities. But enough is enough. Some sense of fiscal sanity is necessary.

Madam President, I simply say that the $4 billion in the cut that myself and the others are proposing is going to be accepted, at least in part, by a follow-on amendment that I understand will soon follow my amendment offered by the two leaders of the Armed Services Committee, by my distinguished friends, Senator THURMOND from South Carolina and Senator NUNN from Georgia. What they are proposing to do is to take roughly half of the cuts

that this Senator has proposed and reduce the Senate Armed Services Committee bill from its $13 billion increase figure down to the budget resolution figure of $11.4 billion. I salute them for that. It is a step in the right direction.

The Exon amendment roughly cuts $2.4 billion below that to make an overall reduction in the armed services authorization figure of $13 billion less $4 billion down to a $9 billion increase.

In a nutshell, that is the difference between what the Exon amendment does and what is proposed to be done on a lesser scale by the chairman and ranking member of the committee.

Mr. WARNER. Madam President, will the Senator yield for a question?

Mr. EXON. I will be glad to yield in a moment.

I am even willing to give the Pentagon an additional $600 million so that it can fund some of these so-called priorities. I want to emphasize that. But I still say that we are going way too far.

I think that is such a reasonable amendment that I cannot imagine it not being endorsed and accepted by the Senate as a whole.

In closing, I urge my colleagues to join me in saying ''no'' to some of these wasteful increases to the Pentagon's request. They are unwise and they are unaffordable in the budget climate that we find ourselves in.

I urge all to vote ''yes'' on this amendment.

I yield the floor. I will be glad to yield for a question so long as it is on his time.

Mr. WARNER. Madam President, I am glad to have this charged to time under my control.

I have the greatest respect for my colleague. We have served together on this committee many, many years, and his work on the Budget Committee has been a tremendous benefit to our committee through the years.

I would like to draw his attention to a document he is aware of, the Congressional Budget Office document of May 15, 1996, in which on page—does the Senator have one of these?

Mr. EXON. I do not have it.

Mr. WARNER. I will send it back so the Senator can examine it. But on page 2, the Congressional Budget Office analyzes the outyears spending subject to appropriations actions and proposed changes. The estimated authorization level for fiscal 1997 is 268, and then they have a series of zeros out here showing no tailing increase.

I will send this up to my distinguished colleague and allow him to look it over. Maybe after he has had a chance to examine it, he can respond to my question.

Mr. EXON. I will be glad to look at it and give you my explanation of it.

I will simply point out that the Exon amendment still allows for a $9 billion increase over what the President and the Pentagon has recommended. I would think, regardless of the technical details, that most realize and recognize that such should be fully adequate given the budget constraints that we face.

I yield 7 minutes to my colleague from Wisconsin.

Mr. WARNER. Madam President, I sent a document. It is right behind the Senator. Will he have an opportunity to look at it and at the conclusion of the remarks of the other colleagues perhaps he can address that?

Mr. EXON. I will be glad to do that.

Mr. WARNER. My recollection is that the Senator from Nebraska specifically talked about the outyear implications of this funding request by our committee. It seems to me that this document attempts to refute that.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. KOHL. Thank you, Madam President.

Madam President, I am pleased to join my colleague from Nebraska in offering this amendment to eliminate $4.0 billion in defense spending for items that are not included in any of the next 5 year's defense budgets. The Pentagon does not want or need these additional funds. There is no reasonable rationale for Congress to provide them.

I have listened to the arguments that we need to be spending more on defense because of a shortfall in procurement funding, and I have heard the justifications for the $13 billion increase in budget authority contained in this bill, on the grounds that we are only accelerating projects the service chiefs have said they want and need. I say to my colleagues who embrace these concerns—even though I have to say that I am skepical—listen carefully to the details of this amendment. This amendment targets the special interest projects and wasteful spending in this bill which were not requested by the service chiefs.

There are more than 4 billion dollar's worth of projects in the bill before us which were not requested by the service chiefs. There are more than 4 billion dollar's worth of projects in the bill before us that appear no where in the Pentagon's future years defense plan. They are not priorities, and we cannot afford to be spending scarce taxpayer dollars on programs that at best are marginal.

After our amendment is adopted, and I am hopeful it will be, the defense authorization bill will still be $9 billion more than the administration has requested.

I am weary of hearing how this defense budget compares to defense budgets in previous years in real terms. Why do we not look at other budget functions in real terms? The reason is that if we did, we would realize that all domestic accounts are being cut in real terms. Many of them deeply. Yet, the defense authorization bill before us would increase defense spending $4.2 billion above last year's defense budget. Only in Washington is an increase in defense spending a cut. When we freeze education spending, we hear denials that we are actually cutting education funding. It is just a freeze they say, the same as last year. Well, in real terms we are cutting hundreds of domestic programs that contribute to the well being of our society. We are holding no one harmless in our effort to balance the budget.

Except defense.

How can we make a credible case to the American people that we are serious about reducing the deficit when we continue to increase defense spending? No one has made an effective case as to why we must be spending more on weapons systems that have not been identified by the service chiefs and are not in any of the next 5 year's defense plans. And we certainly gave the services the opportunity to ask for this funding.

Why is it that we cannot approach defense spending in the same way that we approach any other spending? The services have been more than forthcoming in telling us their requirements and identifying their needs. Now it is our responsibility to determine how best to meet these needs against all other competing requirements. This is how we fulfill our responsibility to oversee the budget and set spending. For some reason, however, we are reluctant to do so with defense.

We must ask ourselves over and over again: Is our defense spending relevant to the threats of the future? Are the projects included in the $4 billion we would cut in our amendment so crucial to our response to these future threats? This amendment was carefully crafted to identify those programs that do not meet even the most conservative requirements. This amendment cuts $4 billion in programs we cannot afford and should not buy.

Above all, let's remember that we are facing no major threats today. When the American people talk today about insecurity, they are talking about job security, personal security, and perhaps moral security. Even the threats to our national security posed by episodes of regional instability and conflict are less likely to be resolved with military force, and more likely to be resolved through political or diplomatic intervention. To be sure, we need a strong defense. We need to develop a strategy and maintain a force structure to protect and advance our interests in a constantly changing global environment. If we could start over again and create a new force structure from scratch to meet the challenges of this era, I am confident that we would have a leaner, more mobile and more efficient force at far less cost.

I am puzzled by arguments that we must front load defense spending in the early years of a 7-year plan because spending in the outyears cannot be relied upon.

Madam President, the spending we vote for today—much of it devoted to new procurement and new research and development projects—lays the groundwork for increased spending down the

road. The spending proposed today ensures the reductions proposed for the outyears will not occur. However, if we adopt this amendment and cut $4 billion in spending in this year's budget, then we will be eliminating $25 billion in unnecessary spending in future years.

Last year, we passed a defense budget that was $7 billion more than what the Pentagon wanted. I came to the floor during last year's defense authorization bill and offered a bipartisan amendment to cut out that extra $7 billion, and we almost succeeded. That amendment was endorsed by a variety of groups focused on deficit reduction and included in the annual scores generated by the Council for a Livable World and the Concord Coalition. And now, here we are, a year later, considering a defense bill that adds $12.9 billion more than what the Pentagon wants.

Is it any surprise that in the budget resolution we passed last week we increase the deficit during the first 2 years of the plan? No one has explained how we can afford to increase defense spending above even the highest levels identified by the services and yet reduce the deficit. We cannot continue to spare the Defense Department from the deep regimen of cuts that we are asking the rest of our society to absorb. The $4 billion that we propose to cut in this amendment is a modest cut.

If we are committed to reducing the deficit and balancing our budget, then we must make the hard votes. And I know for some this will be a hard vote. However, I urge my colleagues to vote for this very responsible approach to defense spending.

I yield the floor.

Mr. COHEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Maine.

Mr. COHEN. Madam President, I yield myself 5 minutes.

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

Mr. COHEN. Madam President, as I listened to the arguments being offered by my colleagues, it seems to me they start from the premise that Congress really should not take any action which differs from that of the requests sent up here by the administration. All we need do is have the President of the United States send up a budget and what we need to do is to look at the budget and either give it our stamp of approval or withhold that stamp of approval; there is no room for discretion. After all, if we were to add something, that would simply be another pork barrel project, would it not, under the logic that is being utilized by my colleagues who are offering this amendment? Why should Congress have any role in this? After all, they are the experts over there. The service chiefs, those who are involved in our military personnel, they are the experts, so why should we have any role whatsoever in terms of altering, increasing, or decreasing the spending for our defense needs?

That is the position, it would seem to me, that those who are arguing on behalf of this amendment are taking—that Congress really, any time it makes a change in the Defense Department request, is simply adding pork barrel spending.

I suggest, how about the Nunn-Lugar proposal? That will most likely be added. Is that pork barrel? Or is that something that is substantive, that will contribute to the national security interests of this country?

What about when we add more funding for the C–17, to buy more of them, so they can be produced at a more efficient rate and save hundreds of millions of dollars. I suppose that is just pork barreling as well. What about the V–22 replacing our aging helicopter aircraft that are ferrying about our Marine Corps? I suppose that is pork barrel, too. So the notion is somehow, whenever Congress adds funding, whenever the Armed Services Committee adds funding for programs, that is just simply pork barrel. And I suggest to you that is simply pure nonsense. That is pure nonsense.

Also, it seems to me we would think that it is the requirements, the military requirements that ought to determine how much we spend and to drive policy. But, in fact, most of us know it is not the military requirements that drive policy but, rather, it is the political policies and the priorities established by the President that drive the requirements.

Year after year, we have been listening to our military experts come to the Congress and say, look, it is getting very thin. We are getting to the ragged edge. Yes, we can carry out the mission, but it is getting very difficult to do so. And we cannot give you assurances we can do so in future years; it is getting that close.

I hear my colleagues talk about cuts in other programs. In terms of percentage of real change in outlays between the years 1990 and 2002, this chart shows domestic discretionary outlays going up almost 12.5 percent; national defense outlays decrease by almost 35 percent, mandatory outlays increase 34.2 percent. So we can see where the priorities are. Defense spending is coming down and discretionary spending, mandatory entitlement programs are going up.

However, there is another issue I want to focus on, and that is the issue of promises. This is something that is of concern to me. It has been to a majority of our colleagues in the Senate and the House. We have had promise after promise that we are going to deal with the shortfalls that are coming next year.

In 1993, we were promised that defense procurement spending was going to go up, and here is where it came out, where this green line is now. It went down. We were promised by the President it was going to go up again in 1995. It went down, saying wait until next year, a promise to go up. It went down. In fact, it will not go up in procurement spending until after the next term of either President Clinton or President Dole expires. And so the absolute military necessities are being pushed out into the year 2001, 2002, saying, well, we will get to it just like the Red Sox are going to win the pennant next year and every time next year comes by say, well, we cannot afford it.

Let me read to you what Admiral Owens, former Vice Chairman and Chairman of the Joint Chiefs Oversight Council, had to say about the administration's procurement plans for our Armed Forces. I am going to read this. ''We are facing a procurement crisis.''

> Here you can see that in 1993 the President's budget had for procurement $62 billion. In 1994, procurement would be at $64 billion. Of course, what really happens, it went down to $48 billion. In 1995, the administration was projecting $55 billion. In fact, it was $46 billion. But then the administration promised it was going to go up. And in 1996 we are now down to $39 billion. And we keep promising and promising ourselves it is going to go up. We have got to stop promising and start doing business.

That is from a very highly respected member of the military. Stop breaking promise after promise.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. COHEN. I yield myself an additional 3 minutes.

Mr. WARNER. Mr. President, we will yield to the Senator such time as he requires and charge it to me. I would like to ask the Senator a question at the conclusion of his presentation.

Mr. COHEN. Madam President, shortly prior to his death, I had a conversation with Admiral Boorda. We spoke initially on the phone and then he came to my office because we went through this process. We said look, we understand. You are under orders to come up to the Hill and testify as to whether you can live with this particular budget. And each time the military has done their duty as required apparently by their obligations and they said, yes, we can live with what the President has requested; he is our Commander in Chief; we can live with this, this year for the first time they started sending other signals that said ask us basically what we really need over and above what is being requested.

And so we asked the question: If more money were added, what would you request? Admiral Boorda sent a request to me that was in excess of $7 billion, alone, for the Navy—$7.9 billion over and above the President's request just for the Navy. And I told him it was completely and wholly unrealistic. He said, look, we have a bow wave coming. I am not going to be here. I am retiring. He would not be here when his period for being CNO had expired and left the Navy, he said, but in the year 2000, 2005, 2010, we have an enormous tidal wave of procurement coming and, frankly, he did not see whether we could ever have the will or spirit to measure up to the responsibilities to fund the programs. So he said, I am

putting in my request. This is what I need.

So that is just one service. Here we are on the Senate floor saying let's just take another $4 billion out totally across the board.

Madam President, I think that we have to get realistic about where we are headed, that we know and everybody knows that by the year 2000 spending is going to have to go up dramatically in order to meet the requirements of our military, or else what?

We can simply revise what we have to do throughout the world. We can say, fine, we are not going to defend our interests in the Pacific. We are not going to defend our interests in Europe or NATO. We are simply going to shrink back to the continental United States.

We can do that. We can revise the Bottom-Up Review. We can say we are not going to meet major regional contingencies, two of them simultaneously, and say we will just meet one. We can do that, and it will be a much more honest approach than what we are currently taking because what we are doing today is saying, yes, we can meet the Bottom-Up Review requirements when, in fact, we cannot—when, in fact, we are holding out an illusion, when in fact many of the same personnel and equipment required to fight in one particular regional conflict will be required to fight in another.

So, it is time we get honest with ourselves and, if we do not want to be the superpower, capable of extending our reach in various parts of the globe, if we do not want to exercise military power and projection in various parts of the globe, say so. But let us not go through this routine, saying we will do it next year and next year and next year. This year is an election year. This year it is more for education and environment and other things. We will push the requirements of the military out into future years, and we will let that generation deal with the problem. We will not be here. We will be gone, be out of office.

When we heard statements made—the Deputy Secretary of Defense has issued a statement; Senator WARNER has referred to it—that there is a tail attached to this particular authorization, some $25 billion, we said, ''Prove it to us. Where is the evidence it is $25 billion?'' They have yet to submit an analysis that shows any justification for the $25 billion so-called tail. They issued a letter saying it is a $25 billion add-on, and we have looked at the analysis and it does not hold up.

I will save that analysis for my other colleagues who wish to talk about this particular matter, but it seems to me the Defense Department has an obligation that goes beyond simply issuing letters at the last moment saying it is $25 billion without any demonstration of the analysis by which that judgment was rendered. I am here to say, when we look at what they have done, what they do is say, if money is requested, for example to close out an account, they will take the amount requested—let us say it is $60 million—and they will stretch it out $15 million a year for the next 4 years. That is completely false. If you, in fact, spend more money to purchase equipment up front—aircraft, ships—which they know will save money in the outyears, they nonetheless add that as a total increase. If you look closely—and they have admitted this—if you look closely at their analysis, it will not hold up to scrutiny.

So, Mr. President, I hope this amendment will be rejected. We do know Senator NUNN and others will be offering an amendment later that would have a more modest reduction. But for us to come to the floor and say this is simply pork barrel spending, unnecessary, the military did not request it, therefore let us not add it, seems to me it undermines the historic role of the U.S. Senate and that of the Senate Armed Services Committee.

Mr. President, I hope this will be rejected and overwhelmingly so.

Mr. WARNER. Will the Senator yield for a question?

Mr. COHEN. I yield for a question.

The PRESIDING OFFICER (Mr. KEMPTHORNE). The Senator from Virginia is recognized.

Mr. WARNER. Mr. President, I commend my distinguished colleague. He has very concisely and accurately reflected the facts.

I suggest he take another minute to include in his remarks that, while he did meet with Admiral Boorda, Admiral Boorda was but one of the entire set of Chiefs who came forward with the request that they needed $60 billion, of which the President's budget only allowed $38 billion, and under the current projections, you would not reach the level recommended by the Chiefs until the year 2001.

Mr. COHEN. Let me respond to my colleague. I only pointed to one individual. I tried to point to what Admiral Boorda had to say to me as an example. Here is just the Navy. Just for Navy programs he said, ''I need another $7 to $8 billion to start meeting the obligations that are mandated and that we will have to face in just a few short years.'' But Admiral Boorda, like every other service chief, as such, realizes each year we have to face this red line. It goes down to the green line, and the green line drops to the blue line, and the blue line drops to the orange line, and we do not get to it until the year 2000. He is saying, ''We cannot do this. It is a misrepresentation. It is a dereliction of our responsibilities.''

That is just one service, the CNO. But now we have the Army, Air Force, Marine Corps, and they similarly made requests saying if we are really going to be measuring up to our responsibilities, we need more. It was the figure that the Senator from Virginia has cited.

So I think we are not to be charged with simply pork barreling, spending money wastefully. Whenever something happens in the world, we are the ones to answer the 911 call. When there was a problem with Taiwan and China, President Clinton did not hesitate. He is going to send the troops, aircraft carriers—two of them, as a matter of fact.

If we are going to be spending for these programs and protecting the lives of our young men and women who are dedicating them to the service of this country, we better make sure they do not have aircraft that are wearing out, they are not operating at tempos that cannot be sustained, that we start doing what needs to be done in order to make sure we have the finest capability we can possibly have.

I thank my friend for yielding me so much time.

Mr. WARNER. I thank the distinguished chairman of the Sea Power Committee. Indeed, he did present Admiral Boorda's request to him and now has supplemented it by the fact that all the Chiefs essentially are in agreement on this.

Mr. President, I would like to add a comment or two of my own here. This is the fourth attempt, I say to my good friends, the fourth attempt to cut the defense budget that we have debated here on this floor of the Senate within just the past 30, say, legislative days. All previous attempts have been declined by the Senate. The arguments on both sides are well known. We have shared them here today. I am not sure why we are spending more time, indeed, on this issue, on this important piece of legislation which is badly needed. The position of the Senate is clear.

Now, the chairman, Chairman THURMOND, and the distinguished ranking member—and I join with him in this effort—are going to come forward to bring in a reduction, calculated at roughly $1.7 billion, to reconcile this bill's overall spending with the budget resolution. That is a responsible approach to reduction in spending, and it will have my strongest support. Even with the increases in the defense budget made by the Budget Committee and the Senate Armed Services Committee, the defense budget will continue to decline in real terms in fiscal 1997. We are not increasing defense spending with this bill before us. We are simply slowing down—slowing down—the rate of reduction sent to the Congress by the President of the United States.

Fiscal 1997 will mark the 12th consecutive year of declining defense budgets. I am confident the pending measure will, likewise, be the fifth effort to reduce this defense budget, which will be rejected by the Senate on vote, and that the Senate will turn to the recommendations of the chairman and the ranking member.

I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

Mr. EXON. Mr. President, I yield 5 minutes to the distinguished member

of the Armed Services Committee, the Senator from New Mexico.

The PRESIDING OFFICER. The Senator from New Mexico is recognized for 5 minutes.

Mr. BINGAMAN. Mr. President, let me start by saying what I am sure is true for all those speaking for this amendment and that is we agree that the United States needs to maintain the most capable and effective military anywhere in the world. But I rise to support Senator EXON's amendment, his freeze amendment to trim spending in this defense authorization bill to the same level as is in the current fiscal year because I believe that kind of fiscal discipline is possible and prudent and still allows us to maintain the most capable military on the face of the planet.

The Pentagon is able to live with a freeze. We are outspending all of our potential foes by at least a factor of 2. The foes that we most often hear discussed when we are talking about defense issues are Iraq and North Korea. Mr. President, both of those countries are bankrupt. The combined defense budgets of both of those countries equal about 5 percent of our defense budget. We have allies in Europe, in Asia, whose defense budgets also dwarf those of our potential foes.

Our colleagues who voted for the concurrent resolution last week are asking our nondefense agencies to live with a freeze in discretionary spending after the budgets of those same agencies were cut by more than $10 billion last year.

The civilian agencies, those that we are asking to live with the freeze, face huge challenges as this country prepares for the 21st century—challenges of educating our children, preserving our environment, of caring for our veterans, of enforcing our criminal laws, of maintaining our transportation infrastructure, and developing new technologies. But we have told those agencies that we must live with a freeze this year, a $15 billion cut from the President's request for funds for those agencies.

But, for the Pentagon, even with the cold war long over and security challenges facing this country reduced to a level that would have been inconceivable when I entered the Senate 14 years ago, our colleagues propose a budget resolution to open up their purses for one last spending spree, adding an additional $11.3 billion above what the Pentagon requested for fiscal year 1997.

Senator EXON's amendment would cut a total of $4 billion in spending from the bill. It would leave an increase of $9 billion for defense spending above what the President requested. The level we are proposing would fund every single add-on proposed by the committee that is actually included in the Pentagon's future year defense program; that is the long-range planning document that the Pentagon works off. This bill is going to have to be trimmed by $1.7 billion, as several Senators have already indicated. We know that. Senator EXON essentially proposes an additional $3.2 billion cut. From my experience on the committee during the last 14 years, I am sure that the conferees can find $4 billion in low-priority add-ons to eliminate in the conference.

Mr. President, Senator EXON's amendment is almost identical in magnitude to the one that was offered by Congressmen SHAYS and NEUMANN 2 weeks ago to the House defense appropriations bill. Their amendment received 60 Republican votes. I hope that Senator EXON's amendment will be similarly attractive to some of the Republican Senators who are committed to deficit reduction this year. It is our intention that this reduction in spending authority would be used to reduce the Federal budget deficit which is projected to increase in 1997 under both the budget plan passed by Congress last year and the one submitted by the President earlier this year.

Mr. President, I honestly believe that this bill could be cut even more than the $4 billion Senator EXON proposes and with no adverse effect on our security.

There is an advertisement that appeared in the New York Times the other day on the 23d of June, on Sunday, by a group of business leaders pointing out that the last sacred cow in our budget needs to also share in this burden of budget cuts.

I think that is good advice. I hope we will follow that advice. I believe most Americans would like to see us hold the line on defense spending at the President's request, and I urge my colleagues to adopt the Exon amendment and do so.

Thank you, Mr. President. I yield the floor.

The PRESIDING OFFICER. Who yields time?

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, I just wish at some point in time, the distinguished Senator from Nebraska will reply to the question of the Senator from Virginia relative to the CBO letter which I posed, but that can be done at his convenience. I think we should allow our colleague from Michigan to proceed. That is perfectly agreeable to the Senator from Virginia.

Mr. EXON. Mr. President, I yield 8 minutes to a very distinguished member of the Armed Services Committee who has sat next to me on that committee for 18 years, the Senator from Michigan.

The PRESIDING OFFICER. The Senator from Michigan is recognized for 8 minutes.

Mr. LEVIN. Mr. President, we, indeed, have had an enjoyable 18 years. I thank my good friend from Nebraska. And we have been joined by our good friend from Virginia in that 18 years as well. We may disagree on this, but we are close friends, indeed.

I rise in support of the Exon amendment. I want to emphasize something which Senator BINGAMAN just said. The so-called cut which is proposed in this amendment would leave an increase of $9 billion above the President's budget request; $9 billion would be left in this bill above that which the administration asked for and the Defense Department signed off on.

The majority of the Armed Services Committee added $13 billion. Over $4 billion of that is not even in the 5-year defense plan, the future years defense plan of the Defense Department. The Defense Department has no plan for over $4 billion of the add-ons, so that the Exon amendment, in cutting $4 billion, is cutting an amendment which is actually slightly less than the amount which the Defense Department has absolutely no plans for in its budget projection.

It is one thing to be strong, and we all want to be strong on the Armed Services Committee, and I think every Member of this body wants the United States to be the strongest Nation in the world. We are spending 2½ times more than Russia, 100 times more than China, and 40 percent of the world's defense expenditures are being spent by the United States. So, yes, we want to be strong, but we do not want to throw money away, even in the defense budget, even in the name of defense.

This budget that came out of the Armed Services Committee, in adding $13 billion to the administration request, which had been signed off on by the uniformed military, is throwing money at problems and adding items that have not been requested by the military, adding items not in the defense plan for the future and, as a matter of fact, Mr. President, adding items that were not even in these wish lists which we solicited from the military.

What the Armed Services Committee did is we asked each of the services: ''If we had additional funds for you, what would you spend the money on?''

Very obviously, the services said, ''Oh, we'd spend it for this, we'd spend it for that, we'd spend it for something else.'' Any agency of Government would do that.

What we did in soliciting these wish lists from each separate department—an Army wish list, a Marines wish list, a Navy wish list and Air Force wish list—what we did is violate the very rules of jointness and discipline which we ourselves, as an Armed Services Committee, very proudly put into law a few years back, called Goldwater-Nichols.

We require jointness. We require the military services to come together and to scrub their requests together and to jointly request funds, so they are not pitted off against each other, so they do not compete with each other up here. They first scrub their requests together and jointly come here and say, ''We've gone through a process; we've gone through a joint requirements process. This is the uniformed military

joint request.'' That is what the budget request is.

But on these wish lists that were submitted to us and that we solicited, on these wish lists, we just ask each of the services, ''What is your wish? What are your wishes?''—violating the very rules of jointness and discipline which we ourselves had installed just a few years back. Of course, they came in with billions of dollars. There is no surprise in that.

Admiral Owens' name was invoked here. What Admiral Owens has also told us, in addition to worrying about some of the future modernization—and we all have concerns in that area—but what Admiral Owens said in testimony before the committee was that, while procurement should ideally be at the level of $60 billion per year, Congress should not add the money on top of the defense budget request—should not add the money on top of the defense budget request.

Instead, he said, the Pentagon should work to save the money internally from reduced infrastructure. We have had a reduced size for the military. We have bases which have been closed. He testified in front of our committee that the Pentagon should make savings which would allow the modernization to occur at a rate of $60 billion per year, the procurement at the rate of $60 billion per year, and that these moneys should come from reduced infrastructure—base closure, privatization, and so forth. That is the No. 2 person at the Pentagon speaking to us. That is not on the civilian side; that is on the uniform side.

We have actually added items here that, again, are not even on the wish list. We have added money for F–16's, a couple extra F–16's. Why not? That is only $50 million. Those are not even on the Air Force wish list. That is above what the Air Force added on their wish list. How about some more helicopters? Why not? We want to be strong. Add some more helicopters. The trouble is that the so-called Kiowa Warriors are not even on the wish list. They are not in the budget. They are not in the 5-year plan. They are not in the wish list we solicited.

But do we have a right to add this money? Of course we do. The Senator from Maine is absolutely right; we have a right to add any more funds we want or to subtract any more funds. But should we have some requirement, some logic, some compelling purpose, some jointness in this process that the military come together and say, ''Yes, we want to spend an additional $120 million on the extra Kiowa Warriors''? I hope so. We cannot just paint these requests as being, ''Well, it's defense, therefore, they must be needed.''

We have a responsibility with taxpayers' dollars to look at what we are adding this $120 million for. This budget coming out of our committee does not meet that responsibility; $4 billion-plus that is not even in the future defense plans of the military, not justified. Let us take a look at the Kiowa Warrior. That is the OH–58 scout helicopter called the Kiowa Warrior, the AHIP's. That is the add-on by the committee.

They were there in Desert Storm. But we used Apaches instead to perform the function which the OH–58's were supposed to perform. The OH–58's could not even keep up with the Apaches, so to perform their functions we had to use Apaches. So let us add on OH–58's instead. Just add them on because it is the defense budget, and paint it defense, label it defense, and then everybody is going to be told, ''Don't cut it. It's the national security of our Nation.''

The Pentagon already consumes nearly 40 percent of the world's military budget, and we spend nearly as much as all of our allies combined. The United States spends 100 times as much annually as Iraq, the largest spender among nations the Pentagon considers potential threats. Even as other Federal agencies continue to take sharp cuts in high-priority programs that directly contribute to the immediate and long-term security of Americans, including crime-fighting, education and environmental protection, the committee added billions not requested by the Department of Defense, and in many cases not even included by the services on the wish lists solicited by the Committee.

On top of the fact that this authorization has resorted to using ad hoc wish lists from the services in order to decide where to spend the extra $13 billion, is the fact that the DOD financial systems necessary to account for the expenditure of this money are broken. We still haven't gotten a handle on it.

The General Accounting Office [GAO] in fact, says that ''the Department does not yet have adequate financial management processes in place to produce the information it needs to support its decision.'' ''No military service or other major DOD component,'' says GAO, ''has been able to withstand the scrutiny of an independent financial statement audit.''

But the committee's action would add another $13 billion to the pot without any concern for financial mismanagement issues.

If the Department of Housing and Urban Development or the Department of Health and Human Services were the subject of the same type of reports on their financial management systems that we're getting from the DOD inspector general and GAO and the DOD Comptroller, himself, we would never be adding wish list money to their programs.

The GAO describes DOD's financial management problems as ''serious'' and ''pervasive.'' GAO in testimony late last year listed the key problems as follows:

Serious problems in accounting for billions of dollars in annual disbursements.

Breakdowns in the Department's ability to protect its assets from fraud, waste and abuse.

Continuing problems in reliably reporting on the cost of its operations.

As long as Congress adds money like this, the Department will not have adequate incentive to solve these financial management problems. No major corporation in the United States would approve a subsidiary's budget at a wish list level if the subsidiary suffered from financial management failures like the Department of Defense.

While the committee is critical of the level of procurement spending in the President's defense budget request, its answer is simply to add more money, much of which is not for the items that the Pentagon wants. This is a poor choice for several reasons.

First, Adm. William Owens, the former Vice Chairman of the Joint Chiefs of Staff and the Chairman of the Joint Requirements Oversight Council [JROC] testified to the committee at its first hearing this year that while DOD is seeking to increase its procurement funds, Congress should not add the money on top of the defense budget. Instead, he said that the Defense Department needs to create savings from within its own programs to provide additional funds for procurement. The Secretaries of the Military Departments provided valuable testimony in support of that notion. But the committee did not pursue this avenue. Instead, it simply added money to the budget request, reducing incentives for the Department to operate more efficiently.

Second, the committee's addition of nearly $13 billion is consistent with last year's congressional budget resolution, which added $7 billion in fiscal year 1996, and suggested a $13 billion add this year. But that budget resolution frontloads the defense increases in the nearterm and shortchanges the department in the out-years. After the year 2000, the budget resolution would provide the Pentagon with less money than planned in the President's future years defense plan, and could substantially underfund the programs that the committee says it supports.

In fiscal year 2001, the President's budget plan for the defense budget would be $2.5 billion above the current budget resolution number. And for fiscal year 2002, the President's defense budget figure is $7.9 billion higher than the budget resolution plan. So in those 2 years alone, the budget resolution would be more than $10 billion less than the President's defense budget plan.

The President's budget request and outyear plans provide a more stable and sustainable funding profile, while the plan of the congressional majority would jeopardize the long-term health and stability of defense funding. And the committee's spending priorities are not the same as those of the Pentagon, so by funding other items, the committee is funneling resources away from the programs that the Joint Chiefs and the Defense Secretary say are most needed.

The Defense Department is in an unusual position among Federal agencies by virtue of its budget and the length of its future budgeting plans. Six-year plans are required. When inflation rises above the expected level, the Defense Department gets an upward inflation adjustment. But when inflation is lower than expected, DOD gets a large share of the dividend to plow back into additional programs. This year, DOD experienced a $45 billion lower inflation estimate. While some $15 billion went back to the Treasury, the other $31.5 billion went to the military to spend over 6 years. This fact was not even taken into account by the committee in its addition of $13 billion.

While Congress has criticized the military for inter-service rivalry, this bill's significant funding increases for the unfunded projects of the services actually fuels such rivalry by providing items that could not gain approval in the jointly oriented budget review by the Joint Chiefs and the Office of the Secretary of Defense. We should not be surprised if the services compete with each other for additional funds—a result we should not be encouraging.

Mr. President, I think it is important to put the issue of defense spending in some context. I have a chart that shows the levels of defense spending for about 15 nations, including the United States. Some of these nations are our allies, some are not allies and not adversaries, and some we consider adversaries. These figures are from 1994 because that is the most recent year for which we have data on these countries, and they are in constant 1993 dollars. Here is how defense spending stacks up among these countries:

First, it is no surprise that we spend more than any of the other nations. With spending of some $278 billion, we outspend Russia by two one-half times. I would point out that Russian defense spending is declining quite rapidly still. We outspend China by a factor of 10. We sometimes hear people caution that China is the coming military power to keep a watch on. We should remember that our spending dwarfs that of China by ten times.

The next group of countries on the list represents our allies with significant defense expenditures. I would note that the country in this group with the highest spending is Japan, which spends less than one-sixth as much as the United States. These are major allies who would be partners in any conflict affecting their interests, whether in Europe or in Asia. Together they spent almost $190 billion in 1994.

The United States spends almost one one-half times as much as all these allies combined. And they would be partners with us in many conflict situations, so their spending should be considered a supplement to our own.

Finally, there is the category of nations with interests inimical to our own, sometimes called rogue nations, most of which are suspected or known to be pursuing ballistic missile and weapons of mass destruction programs. This includes North Korea, Iraq, Iran, Syria, Libya, and Cuba. All together, their spending totals almost $14 billion, which is nearly 20 times less than what the United States alone spends. So our spending is massively higher than all these nations combined.

This is just to keep in perspective the fact that our military spending is far greater than that of the nations about which we are concerned, and our military capabilities are also far greater.

I thank the Chair and I thank my good friend from Nebraska.

The PRESIDING OFFICER. Who yields time?

Mr. WARNER. Mr. President, I again solicit from our distinguished colleague from Nebraska a reply with reference to my observations about the CBO report, a copy of which he now has.

Mr. EXON. I am glad to reply. I have only 4 minutes left for closing remarks.

Mr. WARNER. How much time does the Senator from Virginia have?

Mr. EXON. Will the Senator yield me time to answer?

The PRESIDING OFFICER. The Senator from Virginia has 22 minutes 42 seconds.

Mr. WARNER. I am happy to have my friend reply on my time.

Mr. EXON. I thank the Senator.

I think the Senator asks a very legitimate question. We have checked with the comptroller at the Pentagon for the answer. The answer is quite obvious when you recognize that when we look at the various charts here, we are talking about direct spending and indirect spending.

Certainly, the funding tail that I referenced is a very real thing. The Congressional Budget Office, in making their cost estimates, looks at direct spending. And then there is indirect spending. The initial airplanes, helicopters, ships, and so forth that we have, as far as the chart that the Senator referenced is concerned, is right. But that would contemplate, I would say to my friend from Virginia, that we would buy this additional equipment and then we would not use it.

So, at least primarily, the difference between what the Senator has referenced as zero in his chart does not address what the Pentagon tells us, the comptroller at the Pentagon, who, I think we both agree since we know him and trust him, says that the problem that you have is that not all of the direct and indirect spending expenditures for this equipment have been considered. Therefore, the Pentagon has done that analysis, which is not part of the CBO cursory review. They conclude that it will take $25 million more, if we go ahead and purchase the equipment, and then use it, than is included in the budget. This, I think, can best be described as an indirect spending impact that has a very definite effect on the budget of the Pentagon.

Mr. WARNER. Mr. President, I draw your attention to the title that says, ''Spending Subject to Appropriations Action.'' So it seems to me it is both direct and indirect. I think the most that can be made of this argument is that we come to a draw. Clearly, the comptroller of the Department of Defense, as you say, is a very distinguished former staff member of the Armed Services Committee, in whom we repose a lot of confidence.

Mr. EXON. That is correct.

Mr. WARNER. They say one thing; the Congressional Budget Office says the other. They are diametrically opposed on this question of the tail spending. I think that is the most that can be stated out of this debate. It is kind of like that great statement, ''If you take the economists and you lay them end to end all around the Earth, they still don't reach a conclusion.'' Is that not right, Senator?

Mr. EXON. No, that is not right. I reply on the Senator's time. I happen to have the feeling that the comptroller at the Pentagon is a very honest, straightforward individual.

Mr. WARNER. I am not questioning his integrity.

Mr. EXON. I am glad we straightened that out.

Mr. WARNER. I am glad we straightened that out, too. I was, in a friendly way, giving the Senator a draw on this debate. But if the Senator wishes, I will go with the CBO.

Mr. EXON. I always have the highest regard for my friend from Virginia, and he knows that. If we want to go to a draw on this, let us call it a draw and move on——

Mr. WARNER. Splendid.

Mr. EXON. To the discussion of how we can justify this increase that is not requested by the Pentagon.

Mr. WARNER. Mr. President, we are awaiting the distinguished Senator from Indiana, who is quite an authority on this subject, a member of the Armed Services Committee, as is the Presiding Officer. I shall yield to him such time as he may require.

The PRESIDING OFFICER. Who yields time?

Mr. WARNER. Mr. President, I now yield the balance of the time under my control to the distinguished member of the Armed Services Committee, Mr. COATS. Mr. President, before that, I ask the Senator how much time is required?

Mr. COATS. Probably not more than 10 minutes.

Mr. WARNER. Then the chairman of the committee will require some additional time. How much time is remaining?

The PRESIDING OFFICER. The Senator from Virginia controls 12 minutes 30 seconds.

Mr. THURMOND. I will take 7 or 8 minutes.

Mr. WARNER. I ask unanimous consent that the Senator from Indiana have, say, 9 minutes, and that the distinguished Senator from South Carolina have 7 minutes.

The PRESIDING OFFICER. Is there objection to the request?

Without objection, it is so ordered.

The Senator from Indiana.

Mr. COATS. Thank you, Mr. President, I say to my colleague that I will not take the full 9 minutes unless I need it. Otherwise, I will yield some back.

I rise to question the Department of Defense's recent assertion that the Senate Armed Service Committee authorization for fiscal year 1997 will create huge costs in years to come. This information has come somewhat as a surprise, since the Congressional Budget Office recently reviewed the committee's fiscal year 1997 authorization and found no additional spending attributed to the committee's decision. And so we have somewhat of a disconnect here between the assertions of the Department and the CBO analysis of the committee's action. I know this has been discussed on this floor, and I think it is important for Members to hear the other side of the issue.

When Secretary Perry, Deputy Secretary White, and General Shalikashvili met with the Armed Services Committee members last week, Under Secretary White asserted that the funding additions the committee made to the budget request created a $25 billion additional cost in the Future Years Defense Program. The estimate has since been refined down to $20 billion. But since neither Secretary White nor the Comptroller, John Hamre, was able to explain at the time how such additional costs might be incurred, Senator NUNN asked that a report be provided to the committee to explain the rationale and analysis that led to their conclusion.

Mr. President, in my opinion, the Department's analysis—and in the opinions of many, including CBO—the Department's analysis of future years' costs is seriously flawed. The Department made assumptions about the effects of any funding restorations, and then did their multiplications, without any reference to the committee's own report, which explained the committee's intention.

The method of analyzing research and development accounts was to multiply any committee addition by a factor of four and add up the result. Such an analysis ignores reality. Some of the program elements provided the Department the option to use the additional funds to close out a program, but instead, the program was scored as having an outyear cost of four times the add. There was no analysis, no reference to the committee's report that outlined the committee's intentions. Simply put, the Department assumed the worst-case scenario, assumed no future savings, and did the multiplication, with a predictable result. Recently, John Hamre, the DOD Comptroller has agreed that their analysis was very mechanical and should have considered offsetting savings.

As far as the procurement accounts are concerned, the Department's own briefers admitted to having no consistent set of assumptions to score procurement accounts. In fact, briefers from DOD could not explain why they scored no future savings when old equipment was replaced, or modified with more efficient engines. They showed only outyear costs, but no savings in operation costs. This flies in the face of the Department's own information papers provided during the markup on the authorization bill. In one case, the Department's own information paper claiming outyear savings of $1.5 billion if RC–135 aircraft were reengined. Now, we find no savings were accounted for in the Department's analysis of future year costs.

So, Mr. President, let me just outline this for Members. When the committee came forward with the recommendation for purchase of new equipment, say, engines for certain types of aircraft, which engines, if modified, or if they replaced old engines, there would be an outyear savings because of the efficiencies of the new engines. Yet, that was not scored against the cost of the new equipment. That cost was taken and multiplied into outyears and labeled as a gross cost, without a net savings that come back from the efficiencies.

Here are a couple more examples: The comptroller's analysis of the two major elements of the National Missile Defense Program are scored as having a $9.3 billion outyear cost through fiscal year 2001. That is the amount that most estimate is required to field a national missile system. Yet, not even the most optimistic projections contemplate deployment of a system until 2003. When asked how this was scored, comptroller analysts had no answer, nor recourse to any consistent assumptions to explain such an assertion.

Another example: The committee recommended an authorization of $12 million for material technology because the committee had statements from the Army that $8 million would be used to complete one portion of the program, and another could be finished for an additional $8 million. The committee authorized an additional $4 million for that portion of the program, leaving an outyear tail of $4 million. The comptroller scored the program as having $48 million outyear cost, $44 million above the actual outyear cost.

For electronics materials and the space-based infrared program, the same scenario takes place. Space-based infrared was cut in this year's budget request by $19 million, with no changes made to the outyear program. When the committee restored the cut, the comptroller scored it as an outyear add, which was erroneous.

Mr. President, real life experience does not support this kind of cost analysis. Anyone in business knows that replacing aging equipment provides operating savings, otherwise, why replace it? Also, anyone with common sense knows that buying systems at economic quantities saves money both now and later. This is what the committee did. In many cases, the committee actually restored cuts in programs made by the Department—cuts that drove up unit costs—and now the Department scores the restorations as having outyear costs.

Mr. President, the notion that the committee's authorization will drive the Department to outyear spending does not square with our analysis or square with reality. In fiscal year 1996, the committee authorized spending at a level above the administration's request.

This year, the administration forwarded a reduced fiscal year 1997 request to Congress. Following the Department's logic in this analysis, the fiscal 1997 request should have increased, not decreased.

Mr. President, the $20 billion outyear tail from this authorization does not exist. The analysis that asserts so is now in its sixth version in the last few weeks. It is no analysis, but rather an assertion that does not square with the facts. We would be better off to take General Shalikashvili's words at face value because when testifying before this year's Defense Department posture hearings, he was asked about last year's authorization, whether it was needed equipment, or whether it was ''congressional pork.'' He answered that:

> I think that the vast majority of the money was against things that we were going to buy later. They were brought forward as a result of what you did, and in many, probably all cases, in the long run will result in savings, because we are able to get them sooner at a more advantageous price.

If you are going to buy it anyway, and you can buy it in a quantity now, which gives you unit cost savings, then why not buy it now? You do not score that as an extra add-on. You score that as a savings, or at least you take the total and offset the savings you gain from buying in quantity. I mean, that is common sense. If you are going to buy one car, you are going to pay a different price than if you buy a fleet of cars. If you know you are going to end up buying the fleet, and you can do the add now and get the unit cost down, it only makes sense to do so.

Mr. President, the analysis that says any modernization now is an expense in years to come cannot be taken seriously. More serious thought should be given to the Department's continuing reductions without any changes in its stated goals or strategy. Ad hoc assertions, such as this offering by the Department, should be cause for questions about any underlying framework or analysis for our national security other than what the present administration is willing to request.

Mr. President the issue at hand is this: the administration says its strategy is sound but does not provide the resources to carry it out—and when those resources are authorized, it complains of future costs. This all happens while defense spending declines and operational tempo increases. Mr. President it is time to relook at defense

strategy from a more thoughtful vantage point, and to take a careful look at the relation between policy goals and resources. This so called analysis adds nothing useful to the debate.

Mr. President, I thank you for the time.

The PRESIDING OFFICER. The Senator from South Carolina is recognized for up to 7 minutes.

Mr. THURMOND. Mr. President, I rise today to oppose this amendment offered by my good friend Senator EXON, and will make my statement short. We have had long debates on defense spending, not only on this bill, but during the budget resolution debate. During these debates, some of my colleagues have argued that the money for defense is unnecessary, and they have always found other uses for this money.

Mr. President, thankfully, this body has not agreed with these arguments and has provided the resources necessary to meet our national security needs. There are many risks associated with the administration's decision to continue to underfund defense. Our Nation's top military leaders have assessed those risks and have explained their concerns, not only in Armed Services Committee hearings, but in hearings in many of the other defense committees. The Armed Services Committee has received testimony concerning defense spending and here are just a few comments that were offered. Secretary of Defense Perry testified:

> . . . the modernization account in fiscal year 1997 will be the lowest it has been in many years, about one third of what it was in fiscal year 1985.

The Chairman of the Joint Chiefs of Staff, General Shalikashvili, testified:

> We preserved our readiness and force structure at the expense of modernization and equipment replacement . . . . So much that our procurement accounts has actually shrunk to just below $40 billion, the lowest level since the Korean War. . . . This procurement hiatus . . . cannot be sustained indefinitely.

Each of the Service Chiefs and Secretaries expressed similar concerns, but I will not take the time to go into each of their testimonies to the committee. We have received assurances that next year will be better. But then again, that assurance has been rendered since 1993 and it still has not happened. Admiral Owens highlighted this problem when he said, ''We've got to stop promising ourselves and start doing something about this procurement issue . . .''

The administration proposes to reduce defense again this year by $18.6 billion from fiscal year 1996 levels in real terms. Will the Defense Department do less next year? Will we ask less of our military services—of our soldiers, sailors, airmen, and marines? What will be reduced to account for this $18.6 billion reduction? Already press report indicate that the administration might be considering extending United States forces in Bosnia beyond December 20, the date on which United States forces should be withdrawn. Even without this extension, costs for this operation have increased for the 1st quarter of fiscal year 1997 by $184 million, and we are told these costs will increase again. The decreases in defense spending planned by the administration are occurring at the same time our military personnel are asked to do more and more.

It bears repeating that providing for the national security is the Federal Governments's first obligation to its citizens. I ask my colleagues to remember these words by General Fogelman, Chief of Staff of the Air Force:

> When I look back to the debacles this country has gotten itself into coming out of a period similar to what we are in [now], in many cases it has been because we have ignored the threats that we could not see . . . We were not sharp enough to pick them up . . . If we do not look to the future I think we are going to find ourselves faced with that kind of situation.

Mr. President, I thank the Chair, and yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. THURMOND. Mr. President, I suggest the absence of a quorum, and ask that the time be equally divided.

The PRESIDING OFFICER. Without objection, it is so ordered, and the clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

The Senator from Nebraska.

Mr. EXON. Mr. President, I assume that all time has been used in opposition to the Exon, et al., amendment.

I would like to inquire as to how much time is left on our side on the Exon, et al., amendment.

The PRESIDING OFFICER. Two minutes and 14 seconds the Senator from Nebraska controls.

Mr. EXON. I thank the Chair. I yield myself such time as I might need.

Mr. President, I ask unanimous consent that Senator BYRD, a member of the Armed Services Committee, Senator FEINGOLD from Wisconsin, and Senator HARKIN from Iowa be added as cosponsors to the amendment.

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

Mr. EXON. Mr. President, in the limited time that I have remaining I would like to have the opportunity to recap the arguments for the Exon amendment.

I would first like to point out for the full understanding of all that this is the only amendment that has any chance or likelihood of passage for making any meaningful reduction not previously contemplated in the defense budget. I voted against the previous amendment by Senator WELLSTONE that would have reduced and eliminated all of the $13 billion increase over and above what was requested in the President's budget and not requested in the Pentagon's budget.

I simply say that all should understand that in essence the Exon amendment sponsored by many of my colleagues is in net effect reducing by only $2.4 billion the spending authorized by the Armed Services Committee and the combined action with the budget resolution. That is a far cry from the attempt by the Senator from Minnesota that—which this Senator had some sympathy for—I voted against, an attempt to show how reasonable and how minimal the approach is as being offered by this Senator from Nebraska and several of my colleagues.

To put it another way, it is quite similar in its total approach to a measure of 2 years ago commonly called the Exon-Grassley amendment that made minor reductions in the defense authorization bill but was scorned at that time by some as though we were trying to devastate the national security interests of the United States. Let me explain further how minimal this proposition is.

There has been a great deal of talk today about the fact that there was a reasonable proposal that would follow to be offered by the Senator from South Carolina and the Senator from Georgia which would reduce the Defense authorization bill from the figure of $13 billion increase over and above what the President and the Pentagon had requested down to $11.4 billion. That would be about a $1.6 billion decrease from what the Armed Services Committee had authorized.

The facts are, as I suspect the chairman of the committee and the ranking member would agree, they have no alternative. The Senate has already spoken in the budget resolution. The budget resolution reduced the $13 billion 1-year increase, over and above what the President and the Pentagon want, down to $11.4 billion. That was in the budget resolution. Obviously, unless that was reduced from a $13 billion increase over and above what the President and the Pentagon want, the authorization bill by the Armed Services Committee would be in violation of the Budget Act. So the fact that we are about to be offered an opportunity to cut the fabulous increase by $1.6 billion is a foregone conclusion because we had already acted on that previously on the budget resolution.

Therefore, it is hard to say that that is a real cut. Likewise, the amendment offered by the Senator from Nebraska and others takes that $1.6 billion that we have agreed to now to be reduced and added an additional $2.4 billion cut or decrease over and above what the President and the Pentagon requested, for a net increase—a net increase for 1 year, mind you—of $9 billion over and above what the President and the Pentagon requested.

That is a pretty healthy increase. If there is anyone on this floor who wishes to show some modest, reasonable

step toward balancing the budget of the United States, the thing to do today would be to say, OK, we have to give some with regard to the defense budget, because the defense budget, obviously, with its vast multibillion-dollar increase, while we are reducing the real needs of Medicare and Medicaid and education and the environment and other programs, flies in the face of reality.

Another way to put that, Mr. President, would be to say this is a chance for people who preach fiscal discipline, who want a balanced budget by the year 2002, who want a constitutional amendment to guarantee that by the year 2002, with this modest amendment offered by the Senator from Nebraska and others to practice what they preach.

There have been some things said today in this Chamber during this debate about Admiral Boorda, our late and dear colleague, who was very close to this particular Senator. The statement has been made that Admiral Boorda was asked what more money could he use as head of the Navy if he had it.

That is like saying to a military leader, is there anything at all that you would like to have if you had a blank check?

The PRESIDING OFFICER (Mr. THOMPSON). The Senator's 8 minutes have expired.

Mr. EXON. Have I used up my time?

The PRESIDING OFFICER. Yes.

Mr. EXON. I ask unanimous consent for 1 additional minute to close.

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

Mr. EXON. I simply say that Admiral Boorda or any other military leader, given such an opportunity, would be derelict in his duty, it seems to me, if he could not come up with some concept or idea. That is the wish list that I talked about earlier.

The last time I saw Admiral Boorda was shortly before his death when he came to my office. I said, ''What can I do for you, admiral?'' He said, ''You can't do anything for me, Senator. I just want to thank you for the great support that you have given the U.S. Navy all of these years.''

So I do not propose to speak for Admiral Boorda, but I simply say that I think Admiral Boorda, when he signed onto the real needs of the Navy, meant just what he said. And I suspect that if Admiral Boorda were here, he would say that you should take a close look, Senators, at adding $9 billion over what myself and other members of the Joint Chiefs recommended as incorporated in the President's budget.

Mr. President, I urge adoption of the amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

Is there a sufficient second?

Mr. THURMOND. Mr. President, I second.

The PRESIDING OFFICER. There appears to be.

The yeas and nays were ordered.

Mr. EXON. Mr. President, I ask unanimous consent that following my remarks there be printed in the RECORD a letter dated June 19, 1996, to myself, Senator BINGAMAN, and Senator KOHL, from the Taxpayers for Common $ense in support of the Exon amendment.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

TAXPAYERS FOR COMMON $ENSE,
June 19, 1996.

Hon. JAMES EXON,
Hon. JEFF BINGAMAN,
Hon. HERB KOHL,
U.S. Senate, Washington, DC.

SENATORS EXON, BINGAMAN AND KOHL: Taxpayers for Common $ense is pleased to support your amendments to the FY 97 defense authorization bill to cut the overall level of defense spending by $4 billion. With Congress working to reduce the deficit, this cut is a fair compromise on the defense budget.

The Department of Defense (DOD) bill authorizes $13 billion in budget authority above the President's request. It seems questionable to offer such a large increase to the budget of an agency whose accounting systems and practices are so weak. In 1995, the DOD Comptroller gave up trying to find $15 billion in ''missing'' DOD funds. Government investigations have revealed that out of 36 Pentagon agencies audited last year, 28 of them used records ''in such terrible condition'' that their financial statements were ''utterly useless.''

Every agency is being asked to examine its own budget and implement effective spending strategies. In light of the fact that $4.6 billion of the Committee's $13 billion increase was not in the Future Years Defense Plan, a $4 billion cut merely attempts to bring the defense budget in line with all the other agencies.

Taxpayers for Common $ense supports your efforts in working toward a balanced budget. This amendment is the first step toward fiscal responsibility for the Pentagon. We urge all members of the Senate to support your amendments.

Sincerely,

RALPH DEGENNARO,
Executive Director.

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. Senator THURMOND is recognized.

UNANIMOUS-CONSENT AGREEMENT

Mr. THURMOND. At this time, I ask unanimous-consent that yesterday's agreement on minimum wage be further modified to allow for the two leaders to void this agreement up until the hour of 5:30 p.m. today.

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

Mr. EXON. I am sorry; I could not hear the Senator.

What was the unanimous consent request, I ask my friend from South Carolina, to do what at 5:15?

Mr. THURMOND. To allow for the two leaders to void this agreement up until the hour of 5:30 p.m. today.

Mr. EXON. I have no objection. I thank my friend from South Carolina.

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

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1997

The Senate continued with the consideration of the bill.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. May I inquire of the Chair as to the anticipated procedures? I understand we are stacking votes until sometime to be determined later by the two leaders. I assume that the next order of business under the unanimous-consent agreement would be the amendment to be offered by the distinguished chairman of the committee and the ranking member with 20 minutes equally divided. Is that now the pending business before the Senate?

The PRESIDING OFFICER. The Senator is correct.

Mr. EXON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

AMENDMENT NO. 4346

(Purpose: To reduce the total funding authorized in the bill for the national defense function to the level provided in the Concurrent Resolution on the Budget for Fiscal Year 1997)

Mr. THURMOND. Mr. President, I send an amendment to the desk on behalf of myself and Senator NUNN.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from South Carolina [Mr. THURMOND], for himself and Mr. NUNN, proposes an amendment numbered 4346.

Mr. THURMOND. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

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

The amendment is as follows:

After section 3, add the following:

SEC. 4. GENERAL LIMITATION.

Notwithstanding any other provision of this Act, the total amount authorized to be appropriated for fiscal year 1997 for the national defense function under the provisions of this Act is $265,583,000,000.

Mr. THURMOND. Mr. President, this amendment recognizes that the Defense authorization bill is currently $1.7 billion over the amounts provided for in the concurrent budget resolution for fiscal year 1997, and reduces the spending authorizations in this bill to comply with the budget resolution.

Mr. President, the committee finished its markup of the Defense authorization bill prior to the budget resolution being resolved and even before the Senate version was passed. This amendment reduces the spending amounts authorized in this bill to be in compliance with the fiscal year 1997 budget resolution.