

to do with the military bases. And we finally concluded that the only way to address base closings was to put together a commission. The commission would evaluate the priorities, and we in this body would vote up or down on the Commission's recommendations.

With the balanced budget amendment, it is the same set of circumstances, Mr. President. To try and spell out first what the cuts will be is simply a copout. We do not have the self-discipline. If those who say, well, this is a very dangerous proposal to mandate a balanced budget because it may affect some of our social programs, I would ask them to reflect on the reality if we do not maintain a healthy economy, a monetary system that is stable, that provides confidence, how in the world are we going to meet those obligations if there is a breakdown in investor confidence, a collapse of our monetary system, because of one single thing—too much debt.

It has happened in South America, time and time again. It has happened in Mexico. Canada is paying over 20 percent of their total budget in interest on their debt. They have a government health care system that is costing them more than their initial projection. They are among the most heavily taxed population in North America. They are facing a monetary crisis because they have nowhere to go. They cannot generate more revenue in order to float more debt. They have to pay more interest, and the consequences, Mr. President, are extremely significant and extremely severe.

So, I would ask my colleagues to reflect on this reality as we consider this issue. The previous posture that we have had of increased debt has been fraught with inability to bring together the reality associated with any fiscal matter, and that is revenue balancing expenditures. We have that set of facts today. We are not living up to it and we have little opportunity other than to take this measure which may seem extreme to some.

Mr. President, I have no further remarks. I know others are anxious to speak. But I wonder if I may be granted 30 seconds under morning business to simply introduce a technical amendment.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. MURKOWSKI. I thank the Chair.

AMENDMENT SUBMITTED TO S. 333

Mr. MURKOWSKI. Mr. President, I ask unanimous consent to speak for the purpose of submitting an amendment to legislation within the jurisdiction of the Senate Committee on Energy and Natural Resources.

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

Mr. MURKOWSKI. Mr. President, I send to the desk an amendment to S. 333, the Department of Energy Risk

Management Act of 1995, and ask unanimous consent that it be printed as a Senate document.

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

Mr. MURKOWSKI. I yield my remaining time, and I thank my colleague for the courtesy he extended to me.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

BALANCED BUDGET AMENDMENT TO THE CONSTITUTION

The Senate continued with the consideration of the joint resolution.

Mr. HATCH. Mr. President, I will not be long. I just wanted to make a couple of points on the balanced budget amendment debate.

I want to mention today's New York Times, February 3, an article entitled "Clinton's Budget Falls Well Short of G.O.P. Demands;" subtitle "No Balance by Year 2002," another subtitle, "His Message Foresees Deficit of About \$190 Billion Each Year for Next Decade." It is by Robert Pear. It is a very interesting article:

WASHINGTON, Feb. 2.—President Clinton will propose \$1.6 trillion of spending in his 1996 budget, and he would more than offset the cost of a middle-class tax cut with savings in other areas of the budget. But he still falls far short of Republican demands for a balanced budget in the year 2002.

Mr. Clinton's budget request, to be submitted to Congress on Monday, shows a deficit of \$196.7 billion for the 1996 fiscal year, up slightly from the \$192.5 billion that he projects for this year. Although his Budget Message boasts that his economic policies have sharply reduced the deficit from record levels, he says the deficit will probably stay in the range of \$190 billion through 2005.

Mr. President, I ask unanimous consent the full article be printed in the RECORD.

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

CLINTON'S BUDGET FALLS WELL SHORT OF G.O.P. DEMANDS—NO BALANCE BY YEAR 2002
HIS MESSAGE FORESEES DEFICIT OF ABOUT \$190 BILLION EACH YEAR FOR NEXT DECADE

(By Robert Pear)

WASHINGTON, Feb. 2.—President Clinton will propose \$1.6 trillion of spending in his 1996 budget, and he would more than offset the cost of a middle-class tax cut with savings in other areas of the budget. But he still falls far short of Republican demands for a balanced budget in the year 2002.

Mr. Clinton's budget request, to be submitted to Congress on Monday, shows a deficit of \$196.7 billion for the 1996 fiscal year, up slightly from the \$192.5 billion that he projects for this year. Although his Budget Message boasts that his economic policies have sharply reduced the deficit from record levels, he says the deficit will probably stay in the range of \$190 billion through 2005.

The budget is always a political document, and a theme of Mr. Clinton's 1996 budget is that he wants to "work with Congress," now controlled by Republicans. Indeed, he appears to be in a race with them as he tries to eliminate or consolidate programs or transfer them to the states or to private industry.

Parts of the Clinton budget echo Speaker Newt Gingrich, "The American people remain deeply dissatisfied with how their Government works," the budget says. "Many programs, perhaps even whole agencies, have outlived their usefulness."

In confidential galley proofs of the budget, Mr. Clinton says he can "save \$2 billion by ending more than 130 programs" and "provide better service to Americans by consolidating more than 270 other programs."

For example, he asks Congress to abolish the Interstate Commerce Commission and to eliminate the role of the Army Corps of Engineers in smaller projects like the control of beach erosion, "local flood protection" and the construction of recreational harbors.

He says private meteorologists should take over some functions of the National Weather Service. He would rely on private businesses to track and communicate with spacecraft like the space shuttle. And he asks Congress to terminate 37 small "low-priority" education programs.

But budget documents show that Mr. Clinton will propose a major increase in his national service program, Americorps, which has been denounced by Mr. Gingrich as a form of "coerced volunteerism."

The number of participants, now 20,000, would rise to 33,000 at the end of this year and 47,000 next year under Mr. Clinton's proposal. For the corps' parent agency, which operates several volunteer programs, he requests \$1 billion in 1996, an increase of \$290 million over this year's appropriation.

Mr. Clinton says his economic policies have slashed the deficit from the record \$290 billion in 1992. Still, his proposals would require additional Federal borrowing of nearly \$1 trillion over five years, and the Federal Government would spend \$194 billion more than it collects in revenue in the year 2000. Mr. Gingrich's Contract With America calls for eliminating the deficit by 2002, but the Republicans have not specified the cuts needed to achieve that goal.

The President's \$1.6 trillion budget for 1996 breaks down this way: \$262 billion, or 16 percent of the total, for the military; \$351 billion, or 22 percent, for Social Security; \$271 billion, or 17 percent, for Medicare and Medicaid, and \$257 billion, or 16 percent, for interest on the Federal debt, the accumulated total of Federal borrowing.

Only \$21 billion, or 1.3 percent of the total, is for foreign aid and other international activities.

The President and the Republicans have agreed that Social Security is off limits in their quest for savings, and Mr. Clinton has said that he will not tamper with Medicare, the Federal health insurance program for people who are elderly or disabled.

That means that a large share of the cuts must come from domestic programs subject to annual appropriations: activities like law enforcement, scientific research, highway construction and environmental protection. These account for \$266 billion, or 17 percent of the budget.

The remainder—\$184 billion, or 11 percent of the total—is for benefit programs like welfare, food stamps, Civil Service pensions and veterans' benefits, which are automatically available to people who meet certain eligibility criteria.

In his Budget Message, Mr. Clinton says: "Now that we have brought the deficit down, we have no intention of turning back. My budget keeps us on the course of fiscal discipline by proposing \$81 billion in additional deficit reduction through the year 2000."

Mr. Clinton estimates that his tax cut, including a new tax credit for children and a new deduction for college expenses, will cost the Treasury \$63 billion over five years. But he says, "I am proposing enough spending