

GINGRICH-LITE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon [Mr. DEFAZIO] is recognized for 5 minutes.

Mr. DEFAZIO. Mr. Speaker, the President's revelation of his new budget last night was actually quite remarkable. Fiscal responsibility has finally penetrated inside the Washington, DC, Beltway. That is, Washington, DC, has finally, the policymakers are now all in agreement that the massive debt which will exceed \$5 trillion in the near future, about \$17,000 for each and every living American citizen from the tiniest baby to the oldest senior citizen, is a real problem and it must be dealt with. And we have to move toward fiscal responsibility. That is the good news.

Apparently, the President was very much affected by his joint appearance with Speaker GINGRICH in New Hampshire last weekend, because his proposed budget is Gingrich-Lite, that is, it has the same priorities, the same misplaced priorities as the budget passed in this House 2 months ago, a budget written essentially by Speaker GINGRICH and other senior Republicans. The President has adopted those same priorities, the same mistakes and the same peril to average Americans that is inherent in that budget.

They both start out balancing the budget by cutting taxes. Does that make sense? If you are in the hole, is the first thing you do to cut your income? No, I do not think so. But that is what the Republican budget, \$350 billion slanted heavily toward people earning over \$100,000 a year and the largest, most profitable corporations, that is the Republican budget.

Now, the President, certainly, it is better. It is only \$93 billion in tax cuts, and it is a little more targeted, certainly, to middle-income people. But still it is giving away revenue when you are in the hole. This is not a time for tax cuts, if we are serious about balancing the budget.

Now we get to Medicare. The Gingrich Republican budget slashed Medicare by \$288 billion. They said, there are problems with Medicare; we have got to fix it. Of course, they do not tell us what the fix is. They just tell us exactly how much we have to reduce benefits in order to fix it, and we will figure out later what it is we are doing.

It is a little bit like burning down the village to save it, as we did in Vietnam a couple of decades ago.

Now, the President, of course, is only going to reduce Medicare by \$125 billion, Gingrich-Lite. But it still is a reduction without a clear plan to deal with the problems of Medicare. Veterans? Gingrich, \$9 billion; Gingrich-Lite, the Clinton budget, \$6 billion.

Corporate agriculture, subsidies for large profitable corporate agriculture undertakings, like Sam Donaldson, a famous commentator, he gets \$75,000 a year not to grow sheep on a ranch he does not live on. Is that essential?

Well, apparently it is because there are small cuts in the Republican budget, even tinier cuts in Gingrich-Lite, the President's budget.

Corporate welfare? They are about the same there, tiny, tiny cuts, an estimated \$40 to \$50 billion that could easily be recaptured from the largest, most profitable corporations in the world, many of them foreign corporations who operate in this country without paying a cent in taxes except for the FICA taxes on their employees. They move their profits offshore, and they take the money to the bank.

The military? We just went through the Department of Defense markup here. We are looking at a massive increase in buildup in the military, a massive increase in buildup in star wars, 10 more B-2 bombers at \$1.5 billion each, more than the Pentagon itself requested. They said, Do not buy more B-2 bombers. Transport planes, the Pentagon did not ask for, submarines that the Pentagon did not ask for, an increase, the President asked for an increase in the military of \$25 billion over the next 7 years. And the Republican budget, \$68 billion on top of the President's \$25 billion.

Foreign aid, neither of them want to touch foreign aid. That is a little bit too hot of a political potato, even with the new fiscal realities of Washington, DC.

There is a better way to get a balanced budget, a much better way. We can do it without touching Medicare. We can do it without slashing veterans' benefits, but we have to go after corporate agriculture big time, like \$50 billion cuts in their subsidies. We are going to have to go after corporate welfare and the large, most powerful multinational corporations that do not pay a penny of taxes in this country, we are going to have to ask them to pay their fair share.

Takes a little bit of will and guts, probably cuts big into the contributions of both a lot of Democrats and Republicans. But if we do not do that, then we are going to gut programs that are important to Americans instead of going after fairness and equity and a balanced budget that meets the priorities and needs of this country.

 THE BUDGET

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Florida [Mr. SCARBOROUGH] is recognized for 60 minutes as the designee of the majority leader.

Mr. SCARBOROUGH. Mr. Speaker, I would like, as one Republican, to welcome the President of the United States finally to the great debate on how we balance this country's budget, how we make Congress and the Federal Government do what middle class Americans have had to do for over 200 years, and that is spend only as much money as they take in.

I have got to tell you, I believe that this \$4.9 trillion debt is one of the great issues of our time. It is not just what I believe, it is what Republicans and even Democrats, grudgingly, alike have to believe. Because we can talk about every single issue we want to talk about: talk about education, talk about military issues, talk about the environment, talk about the infrastructure, talk about health care, talk about crime control. All of these issues are important. But if we are spending more money on servicing the interest on our huge \$4.9 trillion debt than we are spending on any of these programs, then there obviously is a problem.

About 50 percent of every man and woman's income tax is spent on servicing the debt. In a few years we are going to be spending more money on servicing the national debt's interest than we spent today on our defense bill.

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What does that mean? We are burning money. We are throwing away more money on interest on this national credit card than we are protecting our children and protecting our shores. Again, it is time that the President comes to the table and says "Okay, I am going to step forward with a plan to balance the budget." We certainly welcome him.

The last speaker on the floor began his speech by saying "Fiscal sanity has finally penetrated the Beltway. The President has now come to the table with a balanced budget plan." The fact of the matter is fiscal sanity penetrated not only the Beltway but this entire country on the evening of November 8, 1994, when the Republican Party was swept into power on both sides of Congress, where not a single Republican incumbent Governor, Congressman, or Senator from Alaska to Florida got voted out, and where Americans stood up and said "Enough is enough. We have been writing bad checks for 40 years. It is time for us to step forward and balance the budget." We got that message, came to Washington, tried to make a difference.

The President now claims to have also gotten that message, but I have to tell the Members, it is kind of hard to figure out where he is on this issue and other issues at times. Let us follow his policy over the past few months. He stated out by opposing the balanced budget amendment. He worked overtime to kill the constitutional amendment that would make Congress abide by the same laws, and make Congress abide by the same fiscal restraint that middle class Americans have had to abide by for over 200 years.

He said we did not need a balanced budget amendment, that we could do it on our own, we just needed a little bit of discipline. He succeeded in killing the balanced budget amendment, which over 70 percent of Americans supported. What was his next step? After he killed the bill and said we could do