this body to enact term limits, to provide the people of this country with an opportunity to change the Constitution of this country, to reflect the fact that the biggest perk of all in Washington is the perk of incumbency. The playing field is so inordinately tilted toward incumbents that individuals from outside have a very difficult time challenging.

I am glad that the majority leader has expressed his commitment to voting on this sense-of-the-Senate term-limit amendment. We will send an important signal to the American people that we remain serious about serious reform, that we have an agenda which is the agenda of the American people. We will again say that those of us who were sent here in 1994 made promises—promises that we will be keeping.

The promises we made are not options—they are commitments, they are our mandate. We did not cook up the idea of term limits as an election gimmick. Term limits are part of the fabric of the political philosophy of the same American people who have seen it work for hundreds of years at both the State and local level. They have seen it work when voluntarily embraced by Presidents from George Washington forward. They have enacted it into the Constitution of the United States in the 22d amendment. They expect us to make it possible to enact term-limits into the Constitution of the United States and provide real reform in the U.S. Congress.

Promises made, promises kept. These promises are not an option, they are our mandate.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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 President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. DORGAN. Mr. President, I am recognized for 15 minutes, I understand.

The PRESIDING OFFICER. That is correct.

MEDICARE

Mr. DORGAN. Mr. President, I have listened this morning to a discussion about Medicare, and I want to make a couple of points about it, although that was not why I originally sought to take the floor this morning.

It is interesting to me that people say this is not about politics. This is about the sanctity of the Medicare Program, about the solvency of the Medicare Program. Nothing to do with tax cuts, tax cuts for the affluent, but the Medicare Program and its solvency.

I cannot resist pointing out when Medicare was initially offered, 97 percent of the Republicans voted against it. They did not like it. They did not want it. We still have some today who think it is a terrible program, that it is tantamount to socialism.

Now, most people, including most Republicans, think the Medicare Program is a pretty decent program and has been very helpful to people in this country.

No one should misunderstand what is going on here. No amount of discussion on the floor of the Senate should be allowed to persuade people this is something other than what it really is.

I brought a chart to the floor that describes what Kevin Phillips, a Republican political analyst, noted author, noted Republican analyst, says: ‘‘The revolutionary ideology driving the new Republican Medicare proposal is also simple. Cut middle-class programs as much as possible and give the money back to private sector business, finance, and high-income taxpayers.’’

That is not from me. That is a description of what this is about from a Republican.

Let me give another comment from Kevin Phillips—again, a Republican. This is not a Democrat, but a Republican speaking. ‘‘Let’s be blunt. If the Republican Medicare form proposal was a movie, its most appropriate title would be ‘Health Fraud II.’ ’’

Do not say that is a Democrat standing up attacking a Republican plan. This is a Republican telling us what the Republican plan is all about.

I flew into Minot, ND, on Saturday morning this week. A lady at the airport asked if she could speak to me, and we stepped off to the side where there was a big crowd. She quietly began to ask me a couple of questions.

She was probably 75 or 80 years old. As she began to speak, her chin began to tremble and quiver and she began to get tears in her eyes. She said, ‘‘My husband is in a nursing home and he has been there 3 years. I am paying for the nursing home care. We had a few quarter sections of land. We owned a farm. I have sold most of that farm now to pay for his nursing home care. I cannot get Medicaid help for him, and now I am worried that I will lose my house and not be able to continue to live in my house.’’

By then she was a person with tears in her eyes and expressing the anguish that a lot of Americans have about what is going on in this country. This is not about statistics or theory; this is about someone who lives on a farm for 55 years, does not take, always contributes, always helps, always extends and reaches out, and then they reach the end of their life and one spouse is in a nursing home and the other is worried about losing their home.

Or an Indian school that I visited not so long ago where children who come from dysfunctional families, from backgrounds of alcoholism and chemical abuse, are trying to make a go of it and get an education, get some therapy, get some help, told me about one little fourth grader who, when she came to the Indian boarding school, would show up every day down at the school administrative office and ask whether a letter had come from home.

‘‘Has a letter come from home?’’ Every day they said, ‘‘No, no letter for you.’’ Every day for weeks, the same routine. ‘‘Has a letter come from home?’’ Actually, her home was not her parents’. It was her aunt and uncle, because her parents were elsewhere. She was living with an aunt and uncle. Finally, she stopped coming to the office to ask whether a letter had come.

The last week of the school year she got her letter and it was the $5—$5 that she was given by her aunt and uncle for the year, $5 spending money that this poor little girl had counted on because they said they would try to send her some help. Every day she went to see whether that money had come, but it had not. She finally got $5 at the end of the year.

That is the kind of human condition that exists in this country. Policies are wonderful to debate here on the floor of the Senate, but we are talking about little fourth graders, little kids whose lives are profoundly impacted by public policies. We are talking about senior citizens, 75 and 80-year-olds who fear that they will lose their home, who fear they will not have health care, who fear they will get sick and have no money.

People say we are not cutting Medicare; it is growing. We will cut $270 billion from what is needed to fund Medicare at its current level. That is a fact.

Yes, it will increase, but the fact is we will have more senior citizens. That is why it is increasing. And you have health care inflation. That is why it is increasing. But the $270 billion necessary to provide the same kind of care will not be available.

They say this is not about anything other than trying to make the system work. This is about cutting taxes for the rich. That is what Kevin Phillips, a Republican, says it is about. ‘‘Let’s be blunt. If the Republican Medicare reform proposal was a movie, its most appropriate title would be ‘Health Fraud II.’ ’’

We will have more debate on Medicare. Do we need to make some adjustments? Yes. Should we take money out of the Medicare Program, a program that works and is so important to people, in order to provide a tax cut to Donald Trump, Ross Perot, and the folks who have it pretty well in this country? I do not think so. That is not what we need to do at this point.

GROSS DOMESTIC PRODUCT

Mr. DORGAN. Mr. President, let me turn to another subject. One of the things that is interesting to me is why we are told daily in the newspapers that the GDP, the gross domestic product, in America is up, our economy is moving forward and we are doing so well. The economists, some politicians, say, gee, things are really moving along. We measure progress in America by the gross domestic product. They say NAFTA and GATT—more jobs, more progress. We are better off because the GDP goes up. Experts worship it. Economists worship at the altar of the GDP.

The Federal Reserve Board comes to the Congress in the last year and a half and says the economy is growing too fast based on the GDP. What we really need to do is create more unemployment and less economic growth. That is what we hear from some of these economists.

Why, when Americans are working longer and harder just to keep up, why are we told that things are so good, that the GDP is a measure of enormous progress?

Finally, there is a cover story in the recent issue of the Atlantic Monthly that provides some clue. It is called, ''If the Economy Is Up, Why Is America Down?'' I urge my colleagues to read this article because it helps explain the big gap between what the economists talk about in economic progress and what the American people feel or actually experience.

Economists, this article says, view the economy through kind of a warped and myopic system, a counting system called the gross domestic product. The GDP was invented actually during the Second World War to guide the Nation's production through the Second World War. It is basically a tool of planning of industrial policy that was never really designed to serve as a guide to how well the economy is doing, but that is how the experts, economists, and politicians use it here in Washington.

Essentially, the gross domestic product adds up everything Americans spend and declares that as the total good. The more money people have to spend, the better this weird accounting system says we are doing.

As a result, all of the pain and all the misery, the social breakdown, shows up in the computer screens in Washington, DC, as economic gain. The hundreds of billions of dollars that Americans spend to cope with crime, the lawyers, the social breakdown costs is all GDP—car crashes, fender benders in front of the Capitol—gross domestic product increasing. Mr. President, $200 billion a year in repair bills and hospital bills, car accidents give this country a real boost.

Americans lose some time with their children because wages are falling, so they work longer these days, and both parents often have to work. When the kids go into day care, that is more GDP. When the roads are so congested it takes more time to drive to work, the gas people burn in their car to sit and wait, that is more GDP.

The lists goes on. Almost everything Americans experience as bad shows up in the gross domestic product as good. They do not take account—the economists—of the contribution of the family and the household as an example.

It is a curious circumstance that the sectors of the economy which are crucial to economic well-being in this country, the social realm—that is the economic functions performed by households, by the communities and all across the country, by people in their natural habitat—those do not count. Those are not part of the national accounting system. Most of the Nation's important work that goes on, from caring for children to older people volunteering their work in many different forms—that is the social glue in this country. Yet because no money changes hands, no one scores that. That is invisible to the conventional economists.

GDP does not count at all in these circumstances, because it means the more our families and communities decline and a monetized service sector takes over, the more the GDP goes up and the more these economists think our country is doing better. They count the poisons in our air and water as double gain, once when the factory spews it out and also, then, again when we have to buy bottled water and air purifiers to deal with it. Then the Government has to spend billions to clean up the Superfund site, so it gets counted again.

We are awash in this kind of phony accounting. It is like a gas gauge on a car that goes up as your car is running out of gas. That is the problem with the GDP measurement and, as the authors in the Atlantic article point out, by the curious standards of the GDP, the Nation's economic hero is a terminal cancer patient who is going through a divorce. They say the happiest event is an earthquake or a hurricane.

I pointed out on the floor before that when hurricane Andrew came through and leveled Florida, the economists counted that as a one-half of 1 percent gain of the gross domestic product in our country. The same phony accounting labels lead to political double-talk when you are talking about GDP and what makes the economy tick. When politicians want to push tax breaks for big corporations or for top executives, they talk about growth, by which they mean GDP. When they want to earn political Brownie points, they blast Time Warner for gangsta rap, for example. Gangsta rap is GDP.

Entertainment is one of the fastest growing parts of the economy and so is gambling and so is prison building. It is all GDP. So, when the politicians say they want more GDP, what are they calling for, more television programs with violence? That is GDP. Is there any distinction between what is good and what is bad, what advances our country's interests and what retards it?

The family or business that uses this kind of a system to measure its progress would not last very long at all. They would be bankrupt in a month. Yet, America has been making economic policy by using this indicator of progress for 50 years, and we need to change.

I do not agree with everything in the article that I referred to in the Atlantic. Some things I disagree with. But I think it is a useful thing for us in this country to begin exploring. Does the gross domestic product really measure anything, anything useful—a gross domestic product that leaves out the value of the care that someone gives for a sick parent, that includes the value of the cleanup from a hurricane but does not include the damage from a hurricane, does not include the damage from a car accident?

You know, another economic all star with the GDP is someone with a cardiac problem. You talk about a heart attack, we are talking about real GDP. The whole system swings into action with a heart attack, and that advances the country's economic interests, right? Of course it does not. Of course it does not.

I hope my colleagues will read not only the Atlantic article, but I am going to include in the RECORD an article written by Lars-Erik Nelson in the Daily News and an article in the Financial Times by Michael Prowse on this same issue.

This is an important issue, and I hope we will begin to look at it in a thoughtful way and evaluate what do you measure to determine what advances American economic interests.

Mr. President, I ask unanimous consent to have those articles printed in the RECORD, and I yield the floor.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Daily News, Sept. 29, 1995]

A FUNKY WAY OF LOOKING AT U.S. ''GROWTH''

Washington—If the economy is growing as all the economists tell us, why are Americans in such a foul mood? This is the question that undermined Reaganomics, defeated President George Bush and has President Clinton muttering about a national funk.

And now we have an answer, both simple and blindingly clear. The people are not wrong. The economists are. What they measure as growth in the Gross Domestic Product is merely increased spending—not what that spending actually buys.

Under the currently accepted definition of growth, if you sit stuck every day in a traffic jam, burning gasoline and wasting your time, you are contributing to growth. If you spend more and more money, $65 billion a year, to protect your self against crime—locks, insurance policies, replacement of stolen goods—that's growth.

The GDP does not care whether the money is spent for useful purposes or for decay. Spending on food and pornography rank equally. Divorce is a major contributor to our ''economic growth'' since it piles up lawyers' fees, the cost of a second home and counseling.

And the GDP assigns no value to intangibles like air pollution or the loss of leisure time. If you're to busy to cook or read stories for your children and so you buy them prepared meals and leave them in front of a VCR that's counted as pure economic growth.

This flash of insight is spelled out in the October Atlantic Monthly by Clifford Cobb. Ted Halstead and Jonathan Rowe, ''By the curious standard of the GDP,'' they write, ''the nation's economic hero is a terminal cancer patient who is going through a costly divorce. The happiest event is an earthquake or a hurricane. The most desirable habitat is a multi-billion-dollar Superfund site. All these add to the GDP because they cause money to change hands.''

The most bizarre example is the $32 billion diet industry. ''[The GDP] counts the food that people wish they didn't eat and then the billions they spend to lose the added pounds that result.''

Instead of GDP, the authors propose a different measure—a Genuine Progress Indicator—that would total up the nation's expenditures (including intangibles like the value of parenting) and then subtract the obviously negative components: costs of crimes, family breakdown, loss of leisure time, commuting, automobile accidents, pollution and environmental damage.

Lo and behold, they come up with figures—debatable to be sure—indicating that in terms of genuine progress we have not come very far since 1960. We have an abundance of gadgets but the costs—in family breakdown, safe neighborhoods, good public schools, jobs that let a single earner raise a family—have offset the technological gains.

The ''growth'' myth has been a terrific weapon in persuading Americans to accept a worse qualify of life NAFTA, the Mexican trade agreement, is good for us because it will add to ''growth''—never mind what it does to a community that loses a factory. Cutting down old-growth forests adds to growth. The gambling industry is growth. Gangster rap is growth. ''Showgirls is growth. The millions spent on the O.J. Simpson trial—it all adds to our economic ''growth''.

What the three authors have figured out is that we spend so much of our incomes not to add to our quality of life but merely to insulate ourselves from a world that has grown less civil. We work harder, spend more, have less time, and the economists tell us we are growing. No wonder there's a funk.

[From the Financial Times, Oct. 2, 1995]

BETTER WAYS TO MEASURE PROGRESS

It may be time to consider new yardsticks of economic and social progress. Gross domestic product has grown robustly for years in the US and many other countries. Yet, ordinary families believe they are worse off than in the past. The official data do not appear to measure economic life as it is experienced by real people. They ignore the ''feel bad'' aspect of growth.

GDP has acquired an extraordinary aura of authority over the years. Yet it is worth recalling that national accounts in their present form were invented quite recently. They were a response to the needs of the generation that endured the Great Depression and fought in the second world war. The priority then was to find ways of utilising spare resources, first to combat unemployment and then to further the war effort. A measure of ''final monetary demand'' was essential if Keynesian policies were to succeed. GDP filled the bill perfectly. And, in an age of slide rules, it was not practicable to supplement it with more sophisticated measures of economic well-being.

Today's needs are different. Our ability to sustain the growth of monetary demand is not in question. The focus of attention is now on ecological and social concerns. After decades of rapid industrial expansion, we worry that growth may inflict irreparable damage on the natural environment. We also worry that the social fabric of nations is being ripped apart. Economic growth will not bring happiness if the quality of life is simultaneously being destroyed by social shortcomings, such as rampant crime, family breakdown, inadequate education and so forth.

The Roosevelt generation devised the statistical measures it required to solve its problem. Should we not do the same? This seems to be the thought underlying two recent attempts to devise broader measures of economic well-being. A group at the World Bank argues that economic health is best measured by a broad yardstick of wealth or net worth, not by the annual flow of monetary income. Instead of simply focusing on ''produced assets''—the products of the market economy—it draws attention to three other classes of assets: natural capital (such as forests and mineral deposits); human resources (the value represented by education) and social capital (the value of human organisations and institutions).

A Californian think-tank called Redefining Progress has a somewhat similar philosophy. It is promoting a new measure of economic health called the Genuine Progress Indicator (GPI), which adjusts for many social and ecological factors ignored in GDP figures. The group has persuaded 400 US economists to sign an anti-GDP manifesto stating that ''new indicators of progress are urgently needed to guide our society: ones that include the presently unpriced value of natural and social capital''. Luminaries backing the GPI initiative include Prof Herbert Simon, a Nobel economics laureate, Alvin Toffler, the futurologist, and Ted Turner, the media magnate.

How economic well-being is measured makes a bigger difference than you might suspect. Measured by per capita GDP, the US is one of the world's richest nations. Yet it ranks a poor 12th on the bank's per capita wealth measure, behind countries such as Norway and Denmark. Per capita GDP figures indicate that the US has been growing robustly for decades. Per capita GPI, on the other hand, peaked in 1969 and has since fallen substantially.

These large discrepancies are not altogether surprising if you remember that the alternative measures are trying to capture wealth not reflected in monetary transactions. The bank team discovered, to its surprise, that the value of human resources-accounts for about two-thirds of the typical nations's total wealth. One reason is that people tend to become more valuable over time: they learn as they generate income and so become capable of generating more income. Produced assets such as durable goods and factories, by contrast, rapidly become obsolescent. Yet this principal source of national wealth is ignored in conventional national accounts.

The rational for GPI is explored at length in the October issue of the Atlantic Monthly magazine. The main reason why it shows a decline in US economic welfare is because it insists on fully accounting for the depletion of non-renewable natural resources, the cost of pollution and many other forms of environmental degradation not captured in GDP figures.

But it also allows for many aspects of social welfare ignored in official statistics, such as the economic value of housework, volunteer labour and leisure time. It treats many types of market transaction as negatives rather than positives; for example the spending associated with crime, family breakdown and commuting are regarded as costs not benefits. It even adjusts for income distribution, deeming greater inequality a negative for social and economic progress.

I have reservations about all ''macro'' indicators. Any attempt to measure ''social welfare'' involves a host of subjective judgments. A measure such as GDP that fails to value natural capital or non-market labour can hardly be construed as neutral or objective. The issue is not whether we have macro indicators, but whether we have indicators that are relevant to people's needs. We cannot live forever on the Roosevelt generation's intellectual capital. We have to move beyond GDP.

The PRESIDING OFFICER (Mr. DEWINE). The Senator from Wyoming is now recognized for up to 1 hour.

CHANGE

Mr. THOMAS. Mr. President, my purpose in requesting an hour was to share with my freshman colleagues an opportunity to talk some about change, an opportunity to talk about the real chance we have to bring about change here in the next 3 weeks. So I intend to take 10 minutes and share the rest, then, with other members of the freshman and sophomore class. I wanted to talk just a little bit about change. I wanted to talk a little bit about the development of policy.

I must confess, I am concerned we are seeking increasingly to formulate public policy in this country based on something other than facts, to formulate public policy based on what seems to be a marketing technique to oppose change. I want to talk about that just a little bit.

My friend from North Dakota just finished. He just finished talking in some areas I think are not factual, that I think probably do not represent where we are really going with policymaking in Medicare.

What we are doing is, those who are opposed to change in Medicare are seeking to use scare tactics to cause people to think Medicare is going out the window, we are not going to do it, when the fact is if we do not make some changes, then we will lose Medicare. Those of us who want Medicare for the elderly, for those of us who want Medicare soon for ourselves and others, know you have to make some changes. The idea we are going to cut and ravage Medicare just is not true. Whether it is Phillips or whoever it is, the fact is that the spending is going to increase. What we are talking about doing is changing a growth pattern that is not maintainable—more than 10 percent—bringing it down to 6.5 percent.

Mr. DORGAN. Mr. President, inasmuch as the Senator from Wyoming mentioned my name, I wonder if I might just ask the Senator from Wyoming a brief question. If the Senator from Wyoming believes——

Mr. THOMAS. The Senator has had his time. I really do not yield to him. I would like to go ahead and make my presentation, sir. You have made yours.

Mr. DORGAN. The only reason I ask the question is the Senator from Wyoming suggested they were not facts coming from this side; in fact, we were misstating facts. I wonder if the Senator would be prepared during the hour at some point to discuss specifically