

federally rigid; because the rules and regulations will not allow the dynamics in the marketplace of choice, independence, and of selection that every other citizen in our country has. That is exactly what we are providing. Yet, the opposition is saying it is going to destroy it. They are trying to use it as a political tactic.

Why do I talk about the Balanced Budget Reconciliation Act and Medicare all at the same time? Because it is all of a total budget that this Congress has to look at. It is part of the kind of reform that is critical when it relates to the dynamics of making the kinds of overall savings that produces a balanced budget by the year 2002 and honors the commitment we have had to the American people that we are going to start being fiscally responsible and we are not going to be continually running up debt that is now at \$4.8 or \$4.9 trillion and accumulating faster than the average citizen can absolutely comprehend.

If we will do anything this year, we will be able to turn to the American people and say, we heard you, we listened, and we responded, and we have set the Government on a course of action that will cause us to be fiscally responsible, that will allow us to look out into the future and say, we have indebted our children less, and we will allow them to have greater freedoms of opportunity in selecting their jobs and keeping more of their own made money for the purposes of providing for themselves and their children.

That is what this debate is all about. We are going to look at it program by program, detail by detail, going through Wednesday, Thursday, and into Friday of this week. I hope the American people are listening because what they will hear in the end will not be frightening. It will be a very loud, clear, analytical debate, program by program, on what this Congress is doing to control a runaway budget. And that is exactly what they expect us to do.

To the seniors of this country, please listen, do not be frightened by what is known as scare mongering. That is what this editorial was saying; that the Democrats are running to the only thing that will resonate at this moment—scare mongering—instead of working with us in a constructive way to maintain a dynamic and important program for this country.

I remember back in the early 1980's when Social Security was in trouble and I was a freshman legislator on the other side. Those who were in control of the Congress at that time—the Democrat Party—tried just that. Ronald Reagan said, "Oh, no, you don't. I am going to bring you, the Congress, and the Presidency together, in a bipartisan way, and we are going to fix this problem. There is not going to be any fear, there is not going to be any fright. We are going to create the dynamics that assures the stability of Social Security on into the future."

He pulled their scare mongering platform out from under them. As a result, we got a phenomenally dynamic, bipartisan process that stabilized Social Security as it is today and will into the future if we balance the budget and take the debt fear away. That is the same responsibility we have with Medicare. I challenge my colleagues on the other side—down with your bright line graphs, down with your rhetoric, and up with your willingness to work with us to create a bipartisan dynamics, both in the budget process and in the securing of a stable Medicare Program that we can turn to the American people and say, we heard you, we honored you, and we are committed to a stable Government in the future that lives within its means.

I yield the remainder of my time.

Mrs. HUTCHISON addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas [Mrs. HUTCHISON] is recognized.

#### BALANCED BUDGET RECONCILIATION ACT OF 1995

Mrs. HUTCHISON. Mr. President, I thank the Senator from Idaho, who made a terrific statement, and the Senator from Mississippi, who asked many of us to talk about the big picture. So many times in this Congress we talk about the minutia, the crisis of the day—and it seems like there is a crisis every day. But I think it is time, because the rhetoric is flying and because tempers are getting short, that we step back and look at the big picture.

Almost 1 year ago, the people elected a new Congress. They rejected business as usual; they ended the reign of spend-thrifts that mortgaged their grandchildren's future for a handful of votes on the first Tuesday every other year.

Now, after a year of preparation, we are ready to put into effect the changes that will protect us from bankruptcy and preserve the strength of our Union. During this week, we will debate our future course as a people and as a government.

The question before us is simple: Will we follow the path of those who want us to tax and spend and borrow until we are so deep in debt and denial that we are fiscally and morally bankrupt? Or, will we set this country on the path toward freedom and prosperity for all, with charity for those who cannot help themselves?

One of our greatest leaders, Abraham Lincoln, said, "A house divided against itself cannot stand." Just as our country could not live "half slave half free," it cannot live in a perpetual class war with the poor incited to battle the rich, the old to fight the young, or the sick to fight the healthy. We cannot make the public better off by pitting them against one another for partisan advantage. We must work together for the benefit of all of us—for our children, for our handicapped, for our elderly—instead of using them as

props in publicity stunts designed to turn people against progress without examining the facts.

President Clinton has led the charges that Republicans seek to gut Medicare to give a tax break to the rich. How many times have you heard that said in the last few weeks? The Speaker of the House said that the President has reduced himself to scaring old people to try to defeat our balanced budget. In his all-out effort to defend the status quo, the President, who campaigned for change, takes advantage of his most vulnerable citizens and threatens the solvency of their health care trust.

Last week, when President Clinton admitted that he and the Democrats in Congress had made a mistake in raising taxes, according to the Washington Post, reporters for the Washington Post, New York Times, Chicago Tribune, and Los Angeles Times skipped the speech and went out for Mexican food.

I will not argue with their choice of menu—after all, they were in Texas—but when they read the speech later, they still did not think it was news.

Apparently, they are so used to the flip-flops by the President that his repudiation of the largest tax increase in the history of America did not sink in.

I am not surprised that the President chose Texas as the place to admit that his tax hikes were a mistake, because in Texas most Democrats believe that Government should take less, not more. That is why so many of them have either been crossing the aisle or supporting Republicans.

Why are they doing that? Because we are protecting the elderly by saving Medicare from bankruptcy. We are lowering taxes on the middle class, and we are cutting spending to balance the budget.

In short, Mr. President, we are keeping our promises. We are not protecting the status quo. We are reordering priorities and ending fraud, waste, and subsidies.

We must act now. If no changes are made to the budget, entitlement spending, Social Security, Medicare, Medicaid, welfare, and Federal retirement plus interest on the debt will take over the entire Federal budget by the year 2012.

Now, Mr. President, think of that. In the year 2012, entitlement spending which is Social Security, Medicare, Medicaid, welfare, and retirement plus interest on the debt will be the entire Federal budget. There will be no defense spending, no spending to help crime, education, or anything else.

Medicare will be insolvent next year according to members of the President's own Cabinet. By the year 2002, it will be bankrupt.

Our Medicare reform proposal slows the rate of growth but it does not cut spending in Medicare. It slows the rate of growth, but increased spending will amount to 73 percent over the next 7 years. The total spending will be \$1.6 trillion for Medicare alone. No one will

be without health care. Seniors will have more choices. They can keep the old plan or choose a new one that suits them better.

We do this by cutting fraud and waste and reining in the exploding costs. Our tax cut reduces the tax burden on people who actually pay taxes. It closes loopholes. More than three-quarters of the cuts in the first year go to the middle class—those making \$75,000 or less.

Now, who are those people? They are mothers and fathers who will get help raising their children with a \$500 per child tax credit; they are homemakers who will have the opportunity for the first time to contribute the maximum amount to an IRA for their retirement security; they are married couples who will have the Tax Code's marriage penalty reduced; and they are savers who are trying to buy a first home, pay for college for their kids, or retirement for themselves.

Our tax cut benefits all Americans. It will put more money in people's pockets, and it will increase jobs. Together with a balanced budget, it will lower interest rates and increase the standard of living for millions of Americans.

The time for publicity stunts, Mr. President, for walking out, for shouting, for interrupting meetings with demonstrators, and for labeling Republicans "extremists" is over.

The public spoke clearly last November. They saw through the antics and the publicity stunts and they asked for leadership. Leadership is not increasing taxes on the elderly and everybody who drives a car and then claim you only hit the rich, which the Democrats without one Republican vote did in 1993. It is not leadership to walk away from those tax increases 2 years later and to attack others who seek to lower the tax burden now.

It is not leadership to propose a budget to this Congress this year with a \$200 million deficit. It is not leadership to propose only 4 months later, a 10-year budget which you say balances but which does not.

It is leadership to confront our fiscal problems head on, to show the people that we must preserve Medicare—and we will—to help families, to create jobs, and to balance the budget.

The American people asked for leadership, for the Congress to shoulder the responsibility of showing them the way. This budget ends the culture of dependence, the belief that the people cannot provide for themselves. It shows the way toward hope and prosperity for all, with charity for those who cannot help themselves.

The American people have created the greatest country on Earth with the intelligence, the creativity, and the energy God gave them. It is our responsibility as their leaders to maintain the opportunity they have created and that this great country offers. That is what we are trying to do, Mr. President. We are making the tough decisions to assure the future.

I yield the floor.

#### RECONCILIATION

Mr. DEWINE. Mr. President, first let me congratulate my colleague from Texas for a very eloquent statement as well as congratulate my colleague from Idaho for his statement that preceded the Senator from Texas.

I rise today, Mr. President, to discuss the reconciliation bill that we will begin debating this Wednesday. It is very clear that there will be nothing more important that this Congress will do than the particular bill that we are going to take up on Wednesday.

In fact, there may not be anything more important in any of our careers here in Congress, however short or long they may be, than this particular bill.

The bill that we will begin debating on Wednesday results from a statement made by the American people last November. It was a statement that was very simple, very plain and very eloquent. What the American people said last November was that we must make some very fundamental changes in the course of the direction of this Government.

Mr. President, the American people had ample reason to speak so loudly last November. For example, if we look at the budgetary outlook contained in the report of the Bipartisan Commission on Entitlements, we will find a pretty grim picture.

Here is what this Bipartisan Commission said, in essence. If we do not change our present course, by the year 2012 every single penny in the Federal budget will be consumed by entitlements and by interest on the national debt.

My colleague from Texas just said that a moment ago. I again want to repeat it because it summarizes, I think, very well, the crisis that we are in. Think of it—every single penny of the entire Federal budget will be consumed by entitlements and by interest on the national debt.

If, Mr. President, in the year 2012 we want Government to do anything at all—provide for our national defense, provide money to run the Army, the Navy, Air Force, Marines, run a program such as the WIC Program or provide any funds for higher education or primary or secondary education—to do any of these things, unless we change the course of the direction of this Government of this country, we would have to raise taxes because there would not be any money anywhere else in the budget to pay for any of these things. This, I think, gives us a pretty good indication of what kind of problem we have in this country.

As we approach this problem, I think the American people demand from us honesty, demand from us that we use numbers that are real, because I believe the American people are sick and tired of phony numbers. They know we cannot go on trying to hide from the facts. Unless we take action and take

action now, our children, our grandchildren, are going to face an even more severe reckoning; frankly, the quality of life our children have, and our grandchildren and their children have, will be different, will be lower than ours. So I believe the American people last November were also saying that the time for the blue smoke and mirrors is over.

The reconciliation bill that we will begin to consider this Wednesday is an honest, forthright attempt to solve this major problem threatening our children's future—the problem of America's imminent bankruptcy. If we listen to the debate occurring on TV, in our newspapers, on the radio, one might conclude that we, on this side, have been a little too honest, maybe a little too forthright. But I do not think so. I do not believe that the American people expect us to do any less than to be forthright and to be honest.

And one charge that has not been made—and I do not think will be made—is that we have taken a walk on this issue. We assuredly have not. This reconciliation bill that, in about 48 hours, we will begin to consider is a serious, detailed, fundamental attempt to change America's fiscal course. The patience of the American people, I believe, has run out—their patience with distorted figures, their patience with lack of candor. That is one of the reasons why we had such a revolutionary election, such an historic election in 1994. The American people want elected officials who are willing to break the syndrome, once and for all, of distortion. That is what I believe we are trying to do with this reconciliation bill. The President, on the other hand, has not responded to this national demand for fundamental change. Unfortunately, the administration's proposal does not even come close to meeting this challenge. It is not detailed. It is not serious. And it does not attempt to fundamentally change the course and the direction of this Government.

Thanks to the important work of my colleague, the senior Senator from New Mexico, the chairman of the Budget Committee, we have details spelling out exactly how far short the President's plan has fallen.

Let us look at how the President's plan claims to get to balance. Let us look at it.

According to the President's plan, there will be \$55 billion less in Medicare spending. No changes in benefits, no changes in law, it will just, somehow, magically appear. There will be \$68 billion less in Medicaid spending, according to the President. Again, no changes in benefits, no changes in law; it will just somehow magically happen. There will be \$85 billion less in spending on agriculture, pensions, and other programs. No details, no specific cuts; again, it will just somehow magically happen.