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Senate

The Senate met at 9:30 a.m., and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Almighty God, Sovereign of this Nation and gracious Father of our lives, thank You for enabling unity in diversity and oneness in spite of our differences. You hold us together when otherwise ideas and policies and resolutions would divide us. Make us sensitive to one another, especially when a vote makes conspicuous our differences. Help us to reach out to each other to affirm that we are one in our calling to lead our Nation. May we neither savor our victories nor nurse our disappointments, but press on.

So we fall on the knees of our hearts seeking Your blessings for our work this day. To know You is our greatest privilege and to grow in our knowledge of Your will is our most urgent need. Lord, our strength is insufficient; bless us with Your wisdom. Our vision is incomplete; bless us with Your hope. In Your holy name. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The able majority leader, Senator DOLE from Kansas, is recognized.

SCHEDULE

Mr. DOLE. I thank the President pro tempore.

Mr. President, today, there will be a period for morning business for 2 hours, and rollcall votes could occur today on executive or legislative items cleared for action. We would like to work out some of the nominees, at least clear some of the nominees on the Executive Calendar, including some of the judicial nominees. It has been suggested if that is not possible, we just start down the list one at a time. I am not certain that will happen today, but we will continue to work on it.

On Monday, it is hoped the Senate can begin debate on the budget resolution conference report. There is a statutory 10-hour time limit. Hopefully, we can resolve that today and work out some agreement. I am not certain how much time it will take. It should not take 10 hours on a conference report.

In any event, we will be in touch with our colleagues later sometime this morning. We are still working on health care. My view is we are very close. I am not certain what the White House view is, but I believe we have made a lot of progress. There has been a lot of give and take. Whether or not that will be complete by next Tuesday is problematical, but we are making progress and, hopefully, there can be some resolution. At least when it is taken up, it may have broad support. That may or may not be possible, but the Republicans will meet at 9:45 in my office, Republican conferees from the House and Senate.

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

The PRESIDING OFFICER (Mr. CRAIG). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

BALANCING THE BUDGET

Mr. INHOFE. Mr. President, I rise today to express regret over what happened yesterday. Yesterday was a very significant day in America. We had an opportunity yesterday to pass a balanced budget amendment to the Constitution. Of course, it did not work out. We fell short by a couple votes.

It reminds me a little bit of last year when we fell short by one vote—one vote—one vote away from forcing fiscal discipline into two bodies that have expressed and shown and demonstrated no fiscal discipline over the past 40 years.

This is not anything that is new. I can remember, Mr. President, back in the middle 1970's when there was an ad by, I think, the National Taxpayers Union. They had a nationwide ad. They were trying to express to the people of America how serious the debt was, and tried to give us an understanding as to what these dollars really mean. Because once you start getting past $1 million or $1 billion or $1 trillion, nobody really has any concept of what it is. Our debt right now, when you say $5 trillion, does not mean an awful lot.

So back in the middle 1970's I can remember this very effective ad that they had. What they did at that time—the Empire State Building was a tall building—they took $100 bills, and they stacked them up until they finally reached the height of the Empire State Building. They said, ''That is $400 billion. That is our national debt.'' At that time we looked at it and said, ''You know, we can't go much beyond this. You start talking about the interest that is going to be necessary to pay on the national debt. Can we really afford it?'' Because when you make interest payments, you have to use revenue dollars that would otherwise go to defending our Nation or to paying for education and the environment and the other needs, structural needs that this Nation has in such abundance.

So at that time, back in the 1970's, I remember so well someone who was in this body for quite a lengthy period of time. His name was Carl Curtis. He was a U.S. Senator from Nebraska. He was just a delightful gentleman.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

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He came up with an idea. He came out to Oklahoma. I was in the Oklahoma State Senate at the time. He said, ''You know, we can't seem to get across to the people in the U.S. Senate how much the people at home want us to exercise fiscal discipline, how much they want us to balance the budget and quit borrowing more and more from future generations.''

So to demonstrate this—this was his idea, not mine; Carl Curtis—he said, ''We're going to go out and get three-fourths of the States to pass resolutions that would preratify an amendment to the Constitution.'' As we all know, we have to get two-thirds of the vote of the House and the Senate; then it has to be ratified by three-fourths of the States. ''So if we can show that there are three-fourths of the States who want to have a balanced budget amendment to the Constitution, then that will give us the influence that we need to get it passed in the U.S. Senate.'' It sounded like a good idea.

So he came out to Oklahoma. I remember so well we went around to—I remember one time at the Kay County Fair we made a presentation of this. These are just good, earthly people who are paying taxes and working for a living. And they all thought it was a great idea.

So I introduced in the State Senate of Oklahoma back in 1974 a resolution to preratify the constitutional amendment. I remember that Anthony Kerrigan at that time—I think he is retired now, still resides in Washington—he wrote in a syndicated column that was all over the Nation, and the name of it was, ''A Voice in the Wilderness.'' He said, ''Way out in Oklahoma is a State senator who has successfully passed the first resolution to preratify an amendment to the Constitution to balance the budget.'' That was over 20 years ago. This is not anything that is new.

In fact, it goes back even further than that. Thomas Jefferson was the one who came back from France and said if he had been here during that constructive process of the Constitution, he would have had something that would prohibit us from borrowing money, except in times of war. This is something that is not anything new.

We heard in the discussion, in the debate in the last few days, over and over again by those who are fighting a balanced budget—not balanced budget amendment, but balanced budget. It is interesting that you never hear anyone on the stump campaigning for office, ''We want to spend more money. We do not want a balanced budget amendment to the Constitution. We want to fiscally discipline ourselves. And it is our job to do it.'' Yet, when they come here there is so much influence here not to balance the budget, not to have fiscal discipline, they do not do it.

We have heard these people over and over again on the floor saying, ''We do not need a constitutional amendment because we were elected to do that.'' I say we have demonstrated clearly in both bodies of this Congress that we are incapable of doing it without something to force us to do what we ought to do voluntarily. We have demonstrated that so clearly that this is the only vehicle out there that I can think of that would do it.

The argument has been made on this floor that the Governors and the States are lowering taxes and are boasting about the fact they are lowering taxes, and if we pass a balanced budget amendment to the Constitution, we will have to have dramatic, draconian increases in State taxes to pay for the services that otherwise they would get from the Federal Government. That just is not true.

There is a mentality, I know, in the White House that the only way to raise revenue is to raise taxes. I can remember a very articulate President of the United States who was a Democrat, John Kennedy, who said back in his administration, ''We have to raise more revenue; to do this, we are going to lower taxes to stimulate the economy.'' A lot of people do not realize, for each 1 percent of economic growth, that produces new revenues of $26 billion. If he can do this, this will allow him to raise more revenues. That is exactly what happened in the Kennedy administration. They reduced taxes and that increased revenue.

Along in 1980 when President Reagan was elected, President Reagan said, ''We have to have more revenues and we have to use those revenues to reduce the deficit and reduce the debt and ultimately do something about debt, so we are going to cut taxes, marginal rates,'' and we went through, in the 1980's, the largest tax cuts in any 10-year-period in the history of America.

The results are there. The total revenues that were generated to operate Government in 1980 were $517 billion. Then in 1990, the total revenues were $1.30 trillion—they doubled, exactly—between 1980 and 1990. That was a period of time when we had the most dramatic cuts in our marginal rates. As far as the income tax is concerned, the total receipts in 1980 were $244 billion, and in 1990 $466 billion, almost doubling, at a time we reduced our rates.

You might say, ''Well, wait a minute. We hear on the floor that during the Reagan years we had such dramatic increases in our deficit.'' Yes, we did, but that was not as a result of the fact that we were reducing taxes; that was the increase in revenues, the problem that we were spending more money here in the Senate and in the House. So while revenues went up, our spending went up exceeding that increase, and the deficits continue.

Now, in hindsight, I say maybe the President at that time, President Reagan, should have vetoed a lot of those bills he did not veto. That is what the current President is getting by with now in vetoing all the things he ran on when he ran for President of the United States and what most of the Republicans who took over control of the U.S. Senate ran on in 1994.

Speaking of President Reagan, I remember one of the greatest speeches of all time was called ''A Rendezvous With Destiny,'' way back in the middle 1960's. The speech that Ronald Reagan made, I remember a sentence he said. ''There is nothing closer to immortality on the face of this Earth than a Government agency once formed.'' That certainly has proven to be true. Once you form an agency to respond to a problem that is there, and the problem goes away, then the agency continues, and their political muscle expands. So there are problems that are out there that can be dealt with, but they cannot be dealt with unless we force ourselves to do something to discipline ourselves in this manner.

There is one other problem that I think adds to this. A study was made—and I cannot document it, but I do have the document back in my office—over 98 percent of the people who come to visit their Senator or their House of Representatives Member are coming because they want to increase funding for some program. It might be for a problem. They might be a contractor; it might be a program that they feel in their hearts needs to be expanded.

What do we hear, if we are here in Washington? We hear from the people who come in and say, ''We want to spend more money.'' That is one of the reasons I have been an advocate for term limitation for so many years.

I made it a practice to commute. I still live back in my State of Oklahoma and I come up here during the time we work and we vote and we have committee meetings, and I go back so I am there virtually every weekend. When you do this, you talk to the people who are back home, that I sometimes get chastised for referring to as ''real people,'' implying there are not real people here. Really, those who come in and want something out of Government generally are people who are here for some particular cause—their cause or for a personal gain.

The fact remains that over 98 percent of the people that come in are here for increased funding. That is something I meant to mention when they use the arguments that we will have to have draconian cuts in Government if we have a balanced budget amendment to the Constitution. That is not true.

A study made by the Heritage Foundation—and I got it renewed only this week to see, is it true today—if we were to take all Government programs and not cut one Government program, entitlement programs and all the rest of them, and increase these programs with growth caps of 1½ percent a year, we could balance the budget in 7 years and have the tax cuts that the Republicans want, the $500 tax credit per child, the tax decreases in capital gains in order to stimulate the economy. We could make the trust funds well again;

we could secure Social Security, Medicare—all of that, without cutting one program.

Realistically, that will not happen. We understand that, Mr. President, because when it gets down to it, there are programs that need to be cut and some that need to be increased by more than 1½ percent. If we had a resolution, if it could be structured, I have thought we might be smarter just to let every program grow by that percentage.

When I have townhall meetings—and I have more than most because I am back in my State more than most Members are—and you have people coming in who are senior citizens, and you tell them, ''What if we were to put a cap on your Social Security of 1½ percent, if you knew that all other Government had to do the same thing?'' They all nod with approval and say ''yes.'' Their concern is they would have to take the hit and the veterans would not, or somebody else would not. I think all the American people want is to be treated equally. I guess the point I am trying to make here is, you do not have to have draconian cuts to have a balanced budget.

Now, I do not want to use up too much time because there are others who want to speak during this period of time reserved by the distinguished Senator from Georgia, Senator COVERDELL, but I do want to address something. I was quite disturbed yesterday when the very distinguished senior Senator from Kentucky came to the floor. I was chastised for some of the comments that I made. One of the statements I made that offended him was that he implied I was saying that people say one thing at home and say something else in Washington.

Let me read exactly what I said so that there can be no misunderstanding. I said this after I had read some quotes of various Senators who were strong supporters of a balanced budget amendment in 1994 and turned around and spoke against it and voted against it this time.

What I said was: ''So I think it is something that we need to look at, and I'm hoping that those individuals, as the distinguished Senator from Iowa, Mr. GRASSLEY said, a lot of the Senators who are voting for this because they want to go the party line instead of voting with the people at home, better really stop and think about it before noon tomorrow,'' the day before yesterday, ''because the people at home are not going to forget,'' and I know that is true. People at home are not going to forget because the vast majority of the Democrats and the Republicans in America—approximately 80 percent—want a balanced budget amendment to the Constitution.

So I did go back and read some quotes from individuals. One was from the Senator from North Dakota, Senator DORGAN, who said, ''This constitutional amendment, no matter what one thinks of it, will add the pressure that we reconcile what we spend with what we raise.'' This was March 1, 1994. This time he was one of the most articulate Senators that was opposing the balanced budget amendment.

Then the distinguished Senator from South Carolina, Senator HOLLINGS, said, ''So let us debate, pass, and ratify the balanced budget amendment by writing a balanced budget amendment into the basic law of the land. We will compel Washington to do its job.'' I agree. That is what he said on March 1, 1994. This time he was one of the leaders in opposition to the balanced budget amendment.

Then, of course, the one I have a great deal of respect for, the distinguished minority leader, Senator DASCHLE from South Dakota, back in February 1994, said, ''Too much is at stake for us to settle for this tax. A balanced budget amendment will provide the fiscal discipline our Nation must have in order to meet the needs of the present generation without bankrupting those of the future.'' That was Senator DASCHLE in 1994. Of course, he led the opposition this time.

So I hope that the distinguished Senator from Kentucky will understand the context in which I was saying this. I do not understand how somebody could be such a strong supporter in 1994 and then oppose the same thing in 1996.

I have the two resolutions here. They are worded exactly the same—not approximately the same, but exactly the same. Back in 1994 this was Senate Joint Resolution 41. All of these Senators were talking about how great this was and how we had to do it—I was applauding them for their courage—only to turn around and oppose this in 1996. What happened between 1994 and 1996? Nothing, except the debt has grown to over $5 trillion.

So when the Senator from Kentucky came in—I had not quoted him, but I will now. He said this back on March 1, 1994. He said, ''I support the efforts of my friend and colleague from Illinois''—talking about Senator SIMON, who is a very courageous guy, and one I complimented probably more than I have ever complimented anyone else on the floor yesterday. Senator FORD said, ''I support the efforts of my friend and colleague from Illinois to take on this persistent fiscal dishonesty. I hear so much about if 40-some-odd Governors can operate a balanced budget, why can't the Federal Government? I operated under it''—this is Senator FORD, who was a Governor of Kentucky—''and it worked. I think implementation of this amendment will work. I think we can make it work. I do not understand why it takes a brain surgeon to understand how you operate a budget the way the States do. This is an opportunity to pass a balanced budget amendment that will work and will give us a financially sound future, not only for ourselves but for our children and our grandchildren.''

I was criticized yesterday because I said those individuals who opposed the balanced budget amendment—I am talking about those who voted against the balanced budget amendment—are people who are liberal in their philosophy, and there is nothing wrong with that. That is the ''L'' word, and there is nothing wrong with it. Either you are liberal or conservative. It just means how much involvement we want the Federal Government to have in our lives. If we want more Government involvement, we have to raise taxes and pay more.

Fortunately, for the people of America, they can get out of this environment that we are in right now and not just listen to what we say, but they can look and see how we perform. We are rated in every area by different rating organizations. If people are concerned about how we are on social issues, family issues, they can look at the Christian Coalition rating and see how we have voted. If they want to know how we are on regulations and business issues, they can look at the National Federation of Independent Business. They have a rating system, and they will tell you. You do not have to listen to us. They will tell you who is for less Government involvement in our lives.

We are the most overregulated nation in the world. That is why we are not globally competitive. Look and see how we are rated. If you want to know who the conservatives are, do not listen to us. I have yet to hear anybody go out on a stump and say, ''Vote for me, I want to spend more money.'' They do not say that. So do not listen to us. Look and see how we are rated.

The National Taxpayers Union uses ratings of A, B, C, D, or F. Those are the five ratings. Of those individuals—the 33 Democrats who voted last year against the balanced budget amendment—I am sure the same thing is true this year, but we have not had enough time to get the ratings—they were rated either a ''D'' or an ''F'' by the National Taxpayers Union. So they are liberals. I do not know why they are ashamed of being a liberal. I have yet to hear a conservative being embarrassed about being a conservative. But many liberals try to say, ''I am moderate,'' or ''conservative.''

Here is the last thing I was personally chastised for. Here is a photo of two little children, which I did not use last night. I used a photo of my newest grandson. These are my two other grandchildren. They are the same age and are children of two different sons. This is Maggie Inhofe, and this is Glade Inhofe. What I was getting across yesterday was that the balanced budget issue, and the deficits in this country, is not a fiscal issue; it is a moral issue. These are the faces of innocence, who did not do anything wrong. This is little Jase, who was born January 9. The day he was born, at the moment he took his first breath, he inherited a $19,000 personal debt as his share of the national debt. He did not do anything wrong. These kids were born 3 years ago.

So I think we need to look at the whole subject of a balanced budget

amendment as the only way we can discipline ourselves. We demonstrated that very clearly. Let us not think about what it is going to do to the people up here today. It is not going to affect us. It is the next generation that is going to have to pay for it.

I suggest to you, Mr. President, that we did a great disservice yesterday to all of Americans, to future generations, when we passed up an opportunity to pass a balanced budget amendment to the Constitution. We are going to do it; it is just a matter of time. We may have to do it in the next legislature, or when there is another President in the White House. But we are going to do it, so that these guys right here are not going to have to pay for our extravagances. It is a moral issue.

I yield the floor.

Mr. COVERDELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Georgia is recognized.

Mr. COVERDELL. Mr. President, I understand you will be relieved as the Presiding Officer in a moment. At that time, I will yield you up to 10 minutes to speak on this question.

Parliamentary inquiry: It is my understanding that, under a unanimous consent, I will be controlling an hour from approximately 10 until 11 o'clock, is that correct?

The PRESIDING OFFICER. The Senator was to control the first hour of morning business.

Mr. COVERDELL. Mr. President, I ask unanimous consent that I be allowed to control the time from now until 11 o'clock.

The PRESIDING OFFICER (Mr. INHOFE). Without objection, it is so ordered.

BALANCED BUDGET CONSTITUTIONAL AMENDMENT

Mr. COVERDELL. Mr. President, in the last several days, as we have debated this very historic constitutional amendment, Thomas Jefferson has been quoted over and over because of his early recognition that there needed to be a constitutional provision for balancing the budget.

I want to read one other quote that was sent to me by a Georgian, and then I will yield to the Senator from Idaho. This is what Thomas Jefferson said:

> Men, by their constitutions, are naturally divided into two parties: One, those who fear and distrust the people, and wish to draw all powers from them into the hands of the higher classes; two, those who identify themselves with the people, have confidence in them, cherish and consider them as the most honest and stable.

This debate was on this point because we were, through our efforts to pass the balanced budget amendment, endeavoring to put to the people the question in the several States which would have had to ratify. Those opposed it, in my judgment, were fearful of turning the question over to the people of the country.

How unfortunate, as you have just alluded, Mr. President, the Senator from Oklahoma.

Mr. President, I yield to the Senator from Idaho up to 10 minutes.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. Mr. President, let me thank my colleague from Georgia for taking out this period of morning business to discuss and to continue the important debate that occurred on the floor of the Senate yesterday in relation to a balanced budget amendment to our Constitution.

The Senator from Oklahoma, who is now presiding, related his experience in the beginning of this movement that started in the mid 1970's when Senators and Members of the Congress recognized that there was growing in this city an insidious appetite that was spawned by interest groups and citizens—that somehow the way you solved nearly all social problems in this country was to put government money at it, and that it was justifiable in doing so to deficit spending. We began to hear the clock of debt tick at that time—hundreds of thousands of dollars, and finally billions of dollars, as the Senator from Oklahoma spoke of.

When I arrived here in the early 1980's we were still in the hundreds of billions of dollars, just breaking into the first trillion. It was in that period of time, in 1982, that the former Congressman from New York, Barber Conable, who had picked up the idea that had been started here by Senator Curtis, was retiring. He had heard me speak on the floor of the House. He knew I had done much of what the Senator from Oklahoma had done—had passed a resolution in my State of Idaho asking for a balanced budget amendment and that the Senate and the Congress of the United States should issue that report so that the States, under article V of the Constitution, could go through the ratifying process.

Barber Conable came to me, and he said, ''Congressman CRAIG, I am leaving. Why don't you take this issue and work with it? Make it a national issue. Work with our other colleagues because some day the American people will recognize what is going on in Washington, and they will insist that it be stopped.''

That was 1982. Myself and CHARLIE STENHOLM, the Democrat Congressman from Texas, began to do exactly what the Senator from Oklahoma started in the mid 1970's in his State legislature. We began a national movement traveling to all of the States of the Nation, to those State legislatures, asking them to petition the Congress of the United States, because without that, without that extraordinary pressure from across the country, we did not believe the Congress would bow to the wishes of the people because the pressure from the interest groups, the pressure from a growing Government, would simply cause them to continue to deficit spend.

That was a $1 trillion debt. That was 1982, and this is 1996. We now have a $5 trillion debt. Senator Curtis was right. Congressman Barber Conable was right. The National Taxpayers Union was right. Now the American people understand better than they have ever understood before that somehow this has to be stopped.

Throughout the 1970's and into the 1980's you could always poll the American people and say, ''Should Government balance its budget?'' And the answer by 65 to 75 to 80 percent was, ''Yes, they should. We have to. We have to do it with our personal businesses and our personal home accounts, and the Government ought to do the same.'' But you could never get that high when you asked the question: ''Should there be a constitutional amendment requiring it?'' Because a lot of people did not think we ought to go the extraordinary route of using the organic act of our country to force our Government into compliance with the wishes of the people; that that was held for unique and special exceptions, and that our organic document of the Constitution should be rarely changed. We know that in the history of our country—the 208 years of history—that we have only changed that document 27 times.

But finally, in a poll just a few weeks ago, when the question was asked, ''Should there be a constitutional amendment requiring a balanced budget?'' all of a sudden that had skyrocketed to 83 percent of the American people. That is an all-time high. Not that the budget should be balanced—I think that is almost unanimous—but now that we should use the organic document of our country to force this issue. Because what the American public instinctively knows is that the growth, the phenomenal movement of a budget into deficit and into debt that now scores $5 trillion, and that this year we are going to deal with the 1997 budget with over $300 billion of interest; and that that interest will be more than we will spend on defense, or will be more than we will spend, within a few dollars, of Social Security; that somehow the American people are beginning to say, ''Isn't it true that, if you continue to accumulate that debt, somehow one day almost all of the budget would be interest?'' Well, no. I do not think that would occur. But significantly the largest segment of the budget would be interest.

That is the impact on Government, and that is the impact on taxpayers.

What is the impact on personal lives, and on the young people who are here helping us as pages in the U.S. Senate, when they get to be 35 and 45 years of age? Even this President, who does not agree with a balanced budget amendment, and until 1994 when he began to be a born-again moderate after having been a 1992–94 very liberal President with large tax increases and large