

puts the President of the United States in the position of the little boy who cried wolf. If and when we face a true emergency, we will be forced to fund it through this discredited process. And when that time comes, we will regret having engaged in this sleight-of-hand, in this legerdemain, in this charade. Words should have real meaning, Mr. President, and actions should have consequences. Two lessons we would do well to remember.

Mr. President, the normal appropriations process is what every American family does when they plan their spending for the upcoming week, or month, or year. Families measure how much they can afford to spend, and where they have to cut back. In some years, when there is an illness or a recession, they may have emergency savings that they use. Perhaps it is a rare occurrence—one they take only in extraordinary circumstances.

But think what would happen if families used their savings for non-emergencies—for a new car or a new dress. They would quickly find themselves unprepared for true emergencies.

The Federal Government should treat its emergencies the same way families do. Necessary but non-emergency problems should be addressed by achieving savings in lower priority federal spending programs.

The President's commitment to send troops to Bosnia was made 4 years ago. It is time to account for that in the normal appropriations process. The Year 2000 problem is a very real threat. But it is also a problem that we have known about for some period of time—since we do have calendars here in Washington. No, instead of anticipating the need and including it in the regular budget process, the President has chosen to ask for this kind of additional funding in the "emergency" category. The President is crying wolf and I only hope the Republican Congress has the good sense say, "No."

Mr. President, I don't agree always with what I read in the newspaper, but here's an editorial with which I do agree. "Republicans rightly point out," the Christian Science Monitor recently noted, "that there's a double standard here: It's OK for Clinton and the Democrats to propose spending \$20 billion of the coming surplus for 'emergencies,' but when the GOP suggests returning some of it to taxpayers, that's a 'threat' to Social Security." (Christian Science Monitor editorial, September 28, 1998)

The Christian Science Monitor had it right in that editorial. And the double standard is even worse than the Monitor suggests. For when this \$20 billion is spent, the money will be gone. Whereas if we had given it back to the taxpayer, at least we would have provided some measure of relief from the highest tax burden in the history of this republic—a helping hand to the forgotten middle class.

And that is the key question here. Who owns the surplus? President Clin-

ton and the Democrat Party see the surplus as own private slush funds—money he can hoard with the shield of false promises, but spends whenever it suits them.

I would argue that the American people own the surplus. And it is time to give it back. As we have learned with all too great a frequency in recent years, if we leave the surplus in Washington, supposedly far-sighted bureaucrats will find a way to spend it.

For there is no end to the good Washington believes it can do with their brains and our money. This town specializes in spending.

I believe it is time for us to make the American people aware of the deceitful and dishonorable efforts to use the budget surplus on mislabeled emergencies and increased spending. I came to Washington 4 years ago to cut taxes and decrease government interference in our lives.

I also made a sacred commitment that I would protect and defend the Social Security Trust Fund. I intend, therefore, to oppose any effort to spend the elderly's Social Security checks on overseas deployments or the bureaucracy in Washington, D.C., and mislabeling those things as "emergencies" will not change my commitment or determination.

Mr. President, I yield the floor.
PRESIDING OFFICER (Mr. GRAMS).
The Senator from North Dakota.

THE BUDGET

Mr. CONRAD. Mr. President, I rise today to respond to some of the things I have heard over the weekend, and now some of the things I have heard on the floor of the Senate. I heard over the weekend on some of the talk shows that the reason the Congress does not have its work done for the year, the new fiscal year which began October 1, is that it is the President's fault.

We have no budget resolution passed by this Congress. For the first time in 24 years, there has been a failure to pass a budget resolution. That budget resolution was due by April 15. The President plays no role in a budget resolution; that is the responsibility of this Congress. In fact, the President does not even have a chance to sign or veto a budget resolution. It is purely the responsibility of this Senate and the House of Representatives, and these bodies have failed in their responsibility, and they have failed for the first time in 24 years.

It is easy to blame the President for everything in this town, but when it comes to a failure to pass a budget resolution, it is not the President's fault. The fault lies right here, right here in the U.S. Senate and at the other end of this building in the House of Representatives. It was our responsibility to pass a budget resolution. It was our obligation to pass a budget resolution. That is the blueprint that is to be followed in order to coordinate all of the appropriations bills.

Little wonder, now that the new fiscal year has already started. The new fiscal year started October 1, and we don't have our work done. In fact, most of the appropriations bills have not been passed. That is not Bill Clinton's failure. That is not President Clinton's failure. That is the failure of this Congress.

I also heard colleagues assert that the President is proposing spending the surplus. That is not true. The President is not proposing spending the surplus. The new spending on education the President is proposing is to be fully offset. He is not spending the surplus on education. That additional spending will be paid for by reducing other spending. That is the President's proposal, not spending the surplus.

Then we hear assertions that the President is proposing spending the money on emergencies. Anybody who understands the budget rules of Congress understands that we set the budget rules and we say that if the money is for an emergency, it does not count in the normal budget process. Those are our rules. Now I hear my colleagues standing up and blaming the President. It is not his fault that we have said if it is emergency spending it is outside the normal budget process.

What are these emergencies? I heard a lot of talk moments ago that this is for bureaucrats in Washington. Wait a minute. What are the emergencies that have been designated by our own rules as emergencies?

First of all, money for the farm crisis that is occurring across America. If that is not an emergency, I don't know what is. We have had a series of natural disasters all across America, and much of this spending that the President has proposed as emergency spending is to respond to natural emergencies, natural disasters. That is exactly what we should do.

It doesn't stop there, because we also have a crisis in agriculture because of collapsed income. In my State, from 1996 to 1997, farm income dropped 98 percent. If that is not a disaster, I don't know what is. I will just say to my colleagues who say the disasters in agriculture are not emergencies, go ask your farmers and see what they say. I tell you, the farmers in my State say it is an emergency. They understand they have had extraordinary natural disasters, from the incredible drought in Texas and Oklahoma to the extraordinary wet conditions in my part of the country that has led to an outbreak of a disease called scab that has decimated the crops. That, according to our own budget rules, is an emergency, and when you have an emergency, it is outside the normal budget process. The President is not advocating spending the Social Security surplus, he is following the rules that we have laid down.

What are some of the other emergencies the President has asked us to

respond to? One is the terrorist bombing of our Embassies in Africa. The terrorist bombings, are those emergencies? Without question, they are. That is according to our own budget rules. That is not money for bureaucrats in Washington, that is money to respond to a terrorist attack on the United States of America, and, according to our own budget rules, rules that we set down, that is an emergency.

The President is not advocating spending the Social Security surplus. Interestingly enough, it is our colleagues on the other side of the aisle who proposed dipping into the surplus. It is our colleagues on the other side of the aisle who proposed a massive tax-cut scheme that would be spending the Social Security surplus, because every penny—every penny—of their tax cut schemes would have come out of the Social Security surplus—every penny. That is raiding Social Security, and the President stood up and said, “No, you don’t touch that money.” He said to them not to touch it. He is not touching it. He is following the rules that we have laid down. Those are the facts.

When I look at the history of how we have gotten to where we are, I also have to respond to what I heard from some of my colleagues, that the Republican majority here is responsible for the first budget surplus in 30 years. Mr. President, here is the record on our budget deficits. This shows we have balance for the first time in 30 years. These are the deficits. We can see the deficits rose until, in the last administration, they reached \$290 billion. In every year of this administration, the deficits have come down, so that this year we are showing a \$70 billion surplus.

When our colleagues say that it is the Republicans who brought us to a balanced budget, I have to say, wait a minute, let’s check the record, let’s check the facts. In 1993, the President put before Congress a plan to dramatically reduce the deficit. The Democrats supported that plan. Not a single Republican voted for it—not one. Not one Republican in the House, not one Republican here in the Senate, voted for that deficit reduction plan—not one. Yet, that plan is the only plan in the 12 years I have been in the Senate that has worked. It was a 5-year plan to reduce the deficit. It cut spending and it raised taxes on the wealthiest 1.5 percent of the people in this country.

The Republicans say, yes, but we had a bipartisan budget deal in 1997 that we played a role in, and it is the reason that we balanced the budget. I will give my friends on the other side of the aisle some of the credit. It is true, they participated, along with Democrats. That was a bipartisan plan in 1997. This chart shows how much of the deficit reduction has come from the 1993 plan and how much of it has come from the 1997 plan. What you can see is that nearly 90 percent of the deficit reduction that has occurred flowed from the

1993 plan that not one single Republican voted for—not one. This part of the job has been done by the 1997 plan that was a bipartisan agreement. It accounts for about 15 percent of the total. Those are the facts.

When I hear my friends on the other side of the aisle beating their chests saying they are the ones who balanced the budget, wait just a minute; the action that has done most of the heavy lifting was done by Democrats, and Democrats alone, in 1993. In 1997, the balanced budget plan, the thing that finished the job off, was done by both parties walking hand in hand. Those are the facts.

The result of the economic policy that was put in place by the 1993 5-year plan has been one of the most successful economic plans ever adopted by this country. Again, not a single Republican voted for it. In fact, they said at the time—I remember so well because I am on the Budget Committee and I am on the Finance Committee, and I remember our friends across the aisle saying, “If you pass this plan, it is not going to reduce the deficit, it is going to increase the deficit.”

Our friends across the aisle said, “It won’t reduce inflation, it will increase inflation.”

Our friends across the aisle said, “If you pass this plan, it is going to crater the economy.”

Well, they were wrong on each and every count.

Here is what has happened in terms of economic growth: During the Clinton administration, it has average 3.9 percent; during the Bush administration, 1.3 percent; the Reagan administration, 3 percent; the Carter administration, 3.6 percent; the Ford administration, 0.9 percent; the Nixon administration, 3.6 percent; the Johnson administration, 5.3 percent.

In other words, this plan, this economic plan, has the highest level of private sector economic growth of any administration since the Johnson administration. Of course, in the Johnson administration the economy was fueled by a war. This is a peacetime expansion of an economy that has been remarkable and the strongest of any administration since the Johnson administration.

On job growth, the economic plan that we put in place in 1993 has produced now over 17 million jobs—17 million jobs. The Reagan administration, that administration, generated 8.7 million.

On real business productive investment, we see the highest rate of growth of any administration in decades—see real business productive investment growing at a rate of nearly 13 percent a year.

That is the economic record. You can see we passed the economic plan in 1993; it has been virtually straight up since that time.

That is not the only measure of economic performance. If we look at the inflation rate, we see that the inflation

rate is now at its lowest in 33 years—lowest rate of inflation in 33 years.

If we look at unemployment, we see that unemployment is at the lowest in 28 years—again, largely a result of the economic plan put in place in 1993, without a single vote from the other side—not one. That economic plan has produced truly remarkable results.

If we look at interest rates, we can see, going back to 1977, we now have the lowest interest rates—measured as yield on a 30-year Treasury bond—the lowest in 20 years; under 5 percent for the first time in 20 years.

If we look at other measures of the economic plan that was put in place by this President, and with votes of the Democratic Party, we can see the effect on welfare caseloads. Welfare caseloads now—the percentage on welfare—are the lowest in 29 years. That was the successful welfare reform plan that we passed. And we passed a crime bill that has produced 5 years in a row of declining violent crime in America. That is the record.

When our friends want to talk about the record, they do not ever want to compare the results in the last three administrations. So maybe we should remind them of what the results were in the last three administrations.

This shows the Reagan administration record on deficits. When he came in, the deficit was about \$80 billion. When he left, it was up to \$150 billion. In between, it had gone up to over \$200 billion a year in deficits.

When the Bush administration came in, the deficit was running about \$150 billion a year. Before he was done, it was \$290 billion a year.

Then the Clinton administration came in, and we passed the 1993 plan—again, without one single Republican vote—and each and every year of that 5-year plan the deficit has come down, until this year we have the first balanced budget in 30 years.

When I say it is the first balanced budget, let me just say that in Washington what they call a balanced budget is not what we call a balanced budget anywhere else in America. In Washington, they call a balanced budget one that counts the Social Security surpluses.

Here is another way of looking at what has happened. It shows that we have made dramatic progress. It also shows that we have not yet truly balanced the budget. The blue line shows what they talk about in Washington when they talk about the budget. But it is important to understand that it includes all of the revenue of the Federal Government and all of the expenditures of the Federal Government.

That would make some sense if some of the revenues were not coming from trust funds. And if you exclude the Social Security trust fund, what you see is much the same pattern; that is, a dramatic reduction in the deficits. But what you also find is that if you exclude the Social Security surplus, we still have a deficit this year of \$35 billion.

Now, it is true, that is down dramatically from the last year of the Bush administration, when the true deficit, instead of being \$290 billion, was really \$341 billion if you excluded the Social Security surplus. But if you exclude the Social Security surplus this year, instead of having a \$70 billion surplus, you have a \$35 billion deficit.

Some economists say, well, you really ought to put it all together. Well, maybe that is why they are economists. I can tell you this: If you were running a company and you tried to take the retirement funds of your employees and throw those into the pot, you would be in big trouble because that is a violation of the law. It is called fraud. You cannot take the retirement funds of your employees, throw those into the pot, and say you have balanced your operating budget. But that is what is done with the Federal budget.

So I think it is important to understand that while it is true we have made enormous progress, we have come down dramatically with respect to the deficit, and in fact in terms of a unified budget, we are balanced for the first time in 30 years. If we did not count the Social Security surplus, we would still have a deficit of \$35 billion.

Mr. President, let me just conclude by saying, the fact is, when I hear our colleagues say, No. 1, President Clinton is responsible for our failure to have a budget resolution, that is absolutely untrue. There is not a Member of this body who does not understand the President does not have one thing to do with the budget resolution. The budget resolution is just that—it is a resolution by both Houses of Congress. It is our responsibility to pass a budget resolution, and this Congress has failed.

For the first time in 24 years, there is no budget resolution. The Senate passed a budget resolution, but the Republicans in the House and the Republicans in the Senate could never agree, and so for months the appropriations bills were delayed. So here we are at the start of a new fiscal year—no budget, no appropriations bills, and we are sitting here wondering how it is going to end.

I think we know how it is going to end, Mr. President. It is going to end with a huge continuing resolution. There will probably be thousands of pages. There will probably be seven or eight appropriations bills all glommed into one package. And remember what Ronald Reagan said about that kind of process? He said in his 1987 State of the Union Address:

... the budget process is a sorry spectacle. The missing of deadlines and the nightmare of monstrous continuing resolutions packing hundreds of billions of dollars of spending into one bill must be stopped.

Our Republican friends in the House and the Senate must not have been listening to former President Reagan, because they have not stopped it. In fact, what they have done is, every year for the last 3 years that they have been in

control of this Senate and the House, that is exactly what they have done. They failed to do their work on time and, instead, they have handed us a stack of thousands of pages in a continuing resolution, with no time to review.

And Ronald Reagan said the very next year, on February 18 of 1988, in his budget message:

As I have stressed on numerous occasions, the current budget process is clearly unworkable and desperately needs a drastic overhaul. Last year, as in the year before, the Congress did not complete action on a budget until well past the beginning of the fiscal year. The Congress missed every deadline it had set for itself just 9 months earlier.

He could have been referring to this Congress, because this Congress has failed to meet every single budget deadline. In fact, for the first time in 24 years, they have produced no budget. Our colleague across the aisle was talking about how a family operates. I do not know many families that never bother to come up with a budget, but that is what has happened here under the leadership of our friends on the other side of the aisle. For the first time in 24 years, there is no budget—none. That is their failure, not the President's failure. It is their failure.

President Reagan went on to say that Congress missed every deadline. He said, "In the end, the Congress passed a year-long 1,057-page omnibus" appropriations bill with an accompanying conference report of over 1,000 pages and a reconciliation bill over 1,100 pages long.

President Reagan said:

Members of Congress had only 3 hours to consider all three items. Congress should not pass another massive continuing resolution [President Reagan said in 1988.]

He went on to say:

—and as I said in the State of the Union Address, if they do, I will not sign it.

What a difference 10 years makes. Ten years ago, a Republican President said there should not be passed another continuing resolution. But here we are with a Republican-controlled Congress who has failed to even write a budget. That is the most basic responsibility of any Congress, to write a budget. This Congress, under Republican control, has failed in that most basic duty for the first time in 24 years. Why? Because the Republicans in the U.S. Senate who did pass a budget resolution—we passed it on a bipartisan basis—could never get together with the Republicans in the House of Representatives. So what we have is a colossal failure.

I don't know how else to say it, but this is mismanagement on a grand scale. I hope people will remember what the record is because it does make a difference. America has enjoyed unprecedented prosperity in the last 5 years, prosperity that I believe came in significant part because of an economic plan that was passed in 1993, the 5-year budget plan, that actually did the job. It reduced the budget each

and every year. I will show the comparison chart again.

It reduced the budget each and every year since it was passed. When President Bush left town, he had a \$290 billion deficit. If you weren't counting Social Security surpluses, it was even worse than that; it was \$341 billion. Let's talk on a unified basis for a moment because that is how the press always reports it. Clinton came in and each and every year after we passed that 1993 plan, the deficit has come down. So now we have a \$70 billion surplus.

Again, I am quick to say I don't consider this a surplus because it is counting the Social Security surplus. Nonetheless, dramatic progress has been made in reducing the deficit. That has given rise to the strongest economy in almost anyone's memory.

Our friends on the other side who are now in control are responsible for a dramatic failure, a failure to write a budget for the United States of America. The result is, here we are, the new fiscal year has started, we have no budget, half the appropriations bills aren't done, they will all be rolled into a stack of paper that will be probably 3 feet high, it will be slammed on our desks, and we will be told to vote on it 3 hours later.

What a way to govern. What a way to manage.

It is not Bill Clinton's fault that no budget was written here. A budget resolution is the distinct responsibility of the Congress. This Congress has failed.

I yield the floor.

MAKING FURTHER CONTINUING APPROPRIATIONS FOR FISCAL YEAR 1999

The PRESIDING OFFICER. Under the previous order, H.J. Res 134, received today from the House, is deemed as passed.

The joint resolution (H.J. Res. 134) was considered read the third time and passed.

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

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

The assistant legislative clerk proceeded to call the roll.

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

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

HOUSE-PASSAGE OF THE DIGITAL MILLENNIUM COPYRIGHT ACT CONFERENCE REPORT

Mr. HATCH. Mr. President, last Thursday the Senate approved, by unanimous consent, the conference report on H.R. 2281, the Digital Millennium Copyright Act (DMCA). I rise today to laud the House's action in adding its vote of approval to that of the Senate. The bill now goes to the President, who I expect will move