

MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 10:30 a.m., with Senators permitted to speak therein for up to 5 minutes each. Also under the previous order, the time until 10 a.m. shall be under the control of the Senator from Illinois.

The Senator from Illinois is recognized.

 THE PRESIDENT'S BUDGET MESSAGE

Mr. DURBIN. Mr. President, yesterday, the President of the United States announced his budget message, which is also the last budget message of the Clinton administration. When you consider the history of this administration, beginning with deep deficits, and we are now at a point in our history where we have had the longest economic expansion in the history of the United States, it is an entirely different budget message.

I still recall when only a few years ago one of our colleagues, the chairman of the Senate Judiciary Committee, ORRIN HATCH, came to the floor to say to the assembled Senators that we had reached such a desperate point in American history that we had to amend the Constitution of the United States to put in place what was known as the balanced budget amendment, so that Federal courts would have the authority to stop Congress from spending. It was a desperate move, supported by Democrats and Republicans alike. We had so many years of red ink and so many deficits that many people thought there was no way it was going to get better, short of creating a new constitutional force—the force of the Federal judiciary—to stop the Congress from spending and to require the kind of fiscal discipline for which American families were asking.

What a difference 3 years later. We have debated, over the last year or so, what we are going to do with the surplus, not with the deficit. We are no longer walking around in sack cloth and ashes through the Halls of Congress saying another torrent of red ink is about to hit us. We are talking about an economy that continues to grow, with employment growing—unemployment, I think, last year was the lowest in 30 years in our Nation. People are buying businesses, building homes, and inflation is being held in check. It is a great period in our history for most families across the Nation. The President's budget message now says to us, since we have turned that corner, since we are no longer talking about deep deficits but, rather, a different era in Government spending, as well as our economy, let us look at it in a more positive fashion.

I want to submit for the RECORD the following:

In 1992, the deficit was a record \$290 billion. The Congressional Budget Office projected that it would grow to \$455 billion by this year. Instead of a \$455 billion deficit, we have a projected \$167 billion surplus—the third surplus in a row. Almost from the moment we started our debate on the balanced budget amendment, we started generating surpluses in this Government. Those who said we had to amend the Constitution clearly—if they look back—now understand that it wasn't necessary. This represents \$622 billion less savings, drained by the Government in 1 year alone. So rather than having a deficit of \$455 billion, borrowing from the American people, as well as foreign sources, to pay it off, we have the surplus.

We also have something that I don't think anyone would have ever imagined. We have had the largest payday of debt in the history of the United States—\$297 billion. In 1998 and 1999, the debt held by the public was reduced by \$140 billion. It is projected that the Government will pay down an additional \$157 billion in debt held by the public this year.

What does that mean? In taxes, each day we collect \$1 billion from individuals, families, and businesses. That billion dollars is collected not to provide for any new educational opportunities or health care but to pay interest on the debt of the Government. About half of that is the publicly owned debt. Think of it—\$1 billion in taxes is collected every day to pay interest on old debt. So as we pay down this debt, which we are currently doing, we are reducing the need for this money to be collected from families and businesses to pay down interest. This will bring the total debt paydown to \$297 billion. It is the largest 3-year debt paydown in American history.

In contrast, under the two previous Presidents, the debt held by the public quadrupled—400 percent and more. Under this President, we are seeing the debt coming down. And we are seeing the smallest Government in over three decades. Government spending has declined from 22.2 percent of the economy in 1992 to 18.7 percent of the economy in 1999—the lowest share in 33 years.

If you take any rational measurement and look at the size of our economy and the percentage we spend on the Government, it has come down dramatically under the Clinton administration. To a great extent, that accounts for the savings about which we are talking. At the same time, the Government has made important investments, including nearly doubling investments in education and training.

Mr. SCHUMER. Will the Senator yield?

Mr. DURBIN. Yes.

Mr. SCHUMER. Before the Senator moves on to the investment part, I think the points the Senator from Illinois is making are astounding. To me, particularly our friends in the business community, and all of the American

people, ought to look at what the Senator from Illinois has said—deficits, biggest payday ever—the usual criteria that conservatives use for how big and encroaching Government is, smaller than it has been in three decades, smaller under Bill Clinton than under Ronald Reagan.

To reiterate, because the facts are astounding, Government spending as a share of the economy went from 21.6 percent in 1980 to 22.2 percent in 1992. Under President Clinton, it has gone from 22.2 percent to 18.7 percent, which is lower than it has been under any year in 30 years and under Ronald Reagan. Taxes and the number of jobs in the Federal Government are lower than anytime since 1966.

If you went to the business leaders and asked them what the Senator from Illinois is talking about, they would say no. The message sent to the business community in the budget of this last year of the Clinton Presidency is that the fiscally responsible party is the Democrats; we believe in investment. I know what the Senator is talking about. But we also believe in tightening the belt of Government. No one has done a better job of that than the President between 1993 and the present.

I thank the Senator for yielding. I just wanted to underscore that point.

Mr. DURBIN. I thank the Senator from New York.

Of course, we have our images—the Republican image and the Democratic image. We try to paint each other's image. In this situation, though, the Senator from New York makes the point: Just look at the facts. Don't look at the rhetoric or listen to the rhetoric. Don't look at all the things that are said in political campaigns but look at the facts. The facts show we are bringing down the debt at a faster rate than at anytime in our history.

I think more Americans—and particularly business people—are interested in seeing the debt of this Nation reduced than some grandiose plan for a tax cut that benefits the wealthiest people in this country. They would rather see us take the fiscally responsible, disciplined approach of bringing down their debt because they know that reduces the burden on our children.

Let me speak for a second about the tax burden for typical families in America. That is another thing that is often said. Of course, taxes are out of hand. But listen to this. At the same time all of these good things are happening to our fiscal house, the typical American family will shoulder the lowest Federal tax burden since 1978. It is amazing to them that their tax revenues are increasing because, frankly, people are making more money. You see it all the time for the middle-income and lower-income families—the lowest tax burden in over 20 years. That is something that is important to maintain.

I think it is responsible for the President to come forward and say: if we are