

suddenly we are told the CBO numbers are no longer the ones that will be used to attain that budget. It leads me to believe that we are basically being told these things as we come upon an election year in which a central part of the debate in America will be whether or not the American Government should spend no more money than it takes in.

Balance the budget and do it in a way that is credible and legitimate, is one thing I hear in Michigan. The other thing I hear in my State is that people want to be able to keep more of what they earn and that, in particular, the middle-class families of my State want to be able to keep more of what they earn. Here, in Washington, inside the beltway, in many of our committees and on the floor of the Senate itself as well as on the House side of the Capitol Building, we are told by people who purport to represent constituencies back in their States that there is no demand for reductions in taxes in America, that this desire to reduce taxes is somehow a myth created by people on our side of the political aisle for whatever purpose, I guess, happens to be convenient at the time.

I just want to know what constituencies those who claim Americans do not want a tax cut represent, because I cannot go to any part of my State without being told by people how hard it is to make ends meet in America, and in Michigan today. What people tell me is not that they wish somehow Government would intrude on their job site or their business or their community and start dictating what salaries they should earn. They do not tell me that. They do not tell me they want to see Washington begin to create some kind of central economy management system here inside the beltway. What they tell me is, if you will just let me keep a few more dollars that I earn in my paycheck, I would feel a lot better.

It is interesting to me to hear people tell us they do not hear any cries back in their State for tax relief when, at the same time, many of the very same Members of Congress come to the floor, bringing charts with them, to talk about the so-called middle-class squeeze that middle-class, hard-working, average American families are feeling today. Why is that middle-class squeeze being felt? The answer is quite simple. It is because American families—hard-working families, where people go out to work every day, and in some cases where more than one person is in the work force, and they work very hard—find at the end of the week or the end of the quarter or the end of the month they do not have as much money left after withholding and the payment of taxes as they need to make ends meet.

So, I think it is very disingenuous to, on the one hand, decry the fate of the middle class because of the difficult time middle-class Americans are having making ends meet and at the same time claim middle-class families do not want a tax cut. The fact is, if we reduce

the taxes on families in this country there will be less of a squeeze, in particular less of a squeeze on the middle class. In my judgment, those are simply mutually exclusive positions. I have a very hard time believing that in the constituencies of other Members of this body or in the House there is not the same yearning for an opportunity to attain the American dream, more chance of people keeping what they earn, that I hear from the constituents that I represent.

Here in the Senate we are trying. We tried during the budget resolution debates and we will try again in the next few weeks to deliver on commitments we made to our constituents from one end of this country to the other, our commitments to bring the budget into balance and to do so with a legitimate, credible budget and at the same time allow hard-working, middle-class families to keep more of what they earn.

The alternative to that is business as usual. The alternative to that is more fancy, funny bookkeeping. The alternative to that is big Government in Washington calling more shots, making more decisions that affect the lives of our families.

So, as the debate proceeds, I hope, as people hear these arguments that we cannot move to a balanced budget or that we cannot do it in 7 years or we cannot have a tax cut, they will reflect on the fact that the people making those arguments are the same people who have tended to be in charge for the last 40 years here in Washington as the budget deficits have increased, as the Federal debt has increased, as taxes have increased, and as the middle class has felt the corresponding squeeze that comes about when too many of the dollars of hard-working Americans are sent to Washington to fulfill the priorities of somebody else.

I think if one reflects on that debate, they will conclude that that budget which we passed here in the Senate earlier this year and that budget we are going to try to now bring to conclusion in the weeks ahead, puts us on the right path to achieving not only our objective of making sure our economy is strong, but achieving the other goals of balancing the budget credibly and reducing the tax burden on hard-working families.

I yield the floor.

Mr. COVERDELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Georgia.

A BALANCED BUDGET

Mr. COVERDELL. Mr. President, I rise in support of the long, arduous march, 32 years long, to balance the budget of the United States.

This is a most historic period in American history. On or about October 24, this Congress, the House and the Senate, will come head to head with the decision to join with America in its call for properly managing our financial affairs.

What we have here is a classical contest between those who come from the country arguing that Washington should stop doing business the way it has been and those who believe that Washington should continue just as it has been. Look at the essential questions that will be settled. In the case of the budget, the new Congress, the majority, is arguing that the budget should be balanced and it should be balanced within 7 years.

I read from Newsweek magazine by author Joe Klein, who talks about the chief spokesperson for the status quo, in name, the President of the United States. He says:

The sloppy, hyperactive wonkiness that defined Clinton's first 2 years in office has been supplanted by a sleek, tactical cunning. He has traded activism for passivism. He gives the appearance of taking stands—for some sort of tax cut, some sort of welfare reform, some sort of balanced budget—but these are ploys, mirages; they exist only to undermine positions taken by the Republicans.

A fundamental goal of this vote on October 24 will be to balance the budget. The President promised a balanced budget in 5 years when he ran for President. He forgot the promise. He then said he would not offer a budget, leave it to the Republicans. He then offered a budget that was unbalanced and received no votes when it was put before the Senate. It was 99 to zero. He then said he would give us a balanced budget within 10 years. But the Congressional Budget Office and all economists know that is not so; it does not balance in 5 years, 7 years, 10 years, or any years. The status quo or change; balance the budgets or leave them spending new debt and deficits.

Second, tax relief. I read, Mr. President, from today's Washington Times. And I am quoting the President:

It might surprise you to know that I think I raised [taxes] too much, too.

President Clinton said last night he thinks he raised taxes too much in his first year in office. Fine. We are trying to refund that tax increase. His tax increase, the largest in American history, was about \$250 billion—status quo—tax more and spend more. We are proposing to lower taxes \$245 billion—change, lower taxes on the working family, lower taxes on American business. Change or status quo.

We say in response to the Medicare trustees that Medicare must be saved or it will go bankrupt in 6 years. We have offered a good plan. It saves Medicare for current beneficiaries and those yet to come. It is reasonable and does what the country needs to have done.

What does the Democrat plan do? First of all, it is 21 pages. It is not a plan. The Congressional Budget Office cannot score it because it does not have enough detail. At best, if it were so and it were a plan, which it is not, it would push the solvency out 24 months. Is that what the beneficiaries are looking for, 24 months of a reprieve, or are they looking for us to take this program and make it solid

and solvent and something forever American family?

Status quo—just tinker with it, or change it and make it work?

Fourth, welfare reform: On October 24, if those votes prevail, welfare as we know it today will never be the same. We are saying that was a failed program. All America knows this. So we are changing it.

Who are the adversaries? Who wanted it left the same? Who has told the country we ought not to change it? It is the other side of the aisle.

So on these four great issues:

Balancing the budget: We stand with America, who says, "Balance it." The President says, "Stay with the status quo."

Medicare: We say, "Save it, change it, make it plausible, and reach solvency for 10 to 20 years." What do they say? "Keep it the way it is, tinker with it 24 months."

Tax relief: "Well, I raised taxes too much." We are saying, "Fine. Reduce them. Lower the burden on the working families so that the family can care for itself."

And welfare: "Change it." "No, leave it the same."

Mr. President, this is probably one of the most historical votes in the history of the Congress. That question is, are we going to take the changes that America is asking for and respond to them and do it, or are we going to defend Washington and three decades of bureaucracy, tax America, spend America, and leave it the same? That is the fulcrum. That is the question.

I hope every American is riveted on the votes that are cast and what they stand for. Change it. A new way—go into the new century ready to do it, an American century. Or the status quo that has brought us almost to our knees.

Mr. President, I yield the floor.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER (Mr. FAIRCLOTH). The Senator from Mississippi is recognized.

Mr. COCHRAN. Mr. President, I understand that the time under our special order has expired.

I want to thank the distinguished Senator from Georgia for his remarks and also those other Senators who have spoken so eloquently and convincingly this afternoon on the subject of the importance of our reconciliation process, balancing the budget, and ushering in a new era of fiscal responsibility. That is what we are determined to achieve, and with the support of Senators we will achieve that and make this a truly new day for America.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. DORGAN. Mr. President, am I correct that the previously agreed upon agenda gives us 1 hour?

The PRESIDING OFFICER. The Senator has all the time he needs between now and 2 o'clock.

Mr. DORGAN. I thank the President for that advice.

MEDICARE AND TAX CUTS

Mr. DORGAN. Mr. President, we have heard a generous bit of discussion the last couple of days on the floor of the Senate about Medicare by people on the other side of the aisle. I must say the consistency with which the assertions are made on the floor of the Senate about Medicare reminds me of the consistency yesterday by the folks who came into this Chamber and cast votes on term limits. It was very interesting to see people who have served here 30 years cast their votes calling for term limits; people here 20 years say, "Well, we are in favor of term limits." I saw one fellow who has been here 12 years vote for term limits and walk out of the Chamber. And, of course, I know he just filed for reelection for the next term.

This is the group that says, "Stop me before I run again." It is the same consistency of thought that allows them to make these kind of representations on Medicare and taxes and their budget, or lack of consistency, I might say.

They say, "We are not cutting Medicare." What are people saying? Why would they say we are cutting Medicare? The fact is, we know what it is going to cost to provide a Medicare Program for the next 7 years. Those costs are estimated.

The majority party is saying we want to provide \$270 billion less than it is going to cost. That is a cut. The senior citizens are going to pay more and get less. That is a cut. Oh, you can proclaim all you want that it is not a cut. But the folks who pay more for less health care is going to know it is a cut.

I thought, rather than have a Democrat who will be viewed as someone covered by partisanship making the point, I would have a Republican make the point so that we are not going to argue about whether or not this is a cut or whether it is fair. Let me have Kevin Phillips, a Republican political analyst, make the point. He made this not too long ago, about a week or 2 ago on public radio.

He said:

Remember, at the same time as the Republicans proposed to reduce Medicare spending by \$270 billion over 7 years, they want to cut taxes for corporations, investors and affluent families by \$245 billion over the same period. This is no coincidence.

That is a Republican who says that.

Kevin Phillips, a Republican analyst, responds to these folks who have treated us to 2 hours now in 2 days of protest that they are not doing what they are really doing, says:

Today's Republicans see Federal Medicare outlays to old people as a treasure chest of gold for partial redirection in their favorite directions; towards tax cuts for deserving corporations, families, and individuals.

Kevin Phillips, a Republican, 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 the private sector business, finance and high-income taxpayers.

Finally, not a Democrat, Kevin Phillips, a Republican, responds to the 2 hours in 2 days of protests from people who say they are not doing what they are doing, says:

Let's be blunt. If the Republican Medicare reform proposal was a movie, its most appropriate title would be "Health Fraud II."

This debate is about choices, and do not lament the fact that we do not agree. The debate is healthy. It is what the democratic system is about—different ideas, and seeking from those different sets of ideas the best of those ideas, but which have the worst of the priorities in this Chamber these days. Those priorities say let us kick 55,000 kids off the Head Start Program, and every single one of those kids has a name and some place in their chest they are hoping they get a start, hoping they get a decent chance. But there is not enough money for 55,000 Head Start kids. There is not enough money to send kids to college, which is going to make it tough for families to send their kids to college because we do not have enough money. There is just not enough money for education and not enough money for health care. We cannot afford health care for the sick and the old. So we have to make some adjustments there.

But there is enough money for—what? B-2 bombers, nobody ordered, 20 of them, \$30 billion. Nobody wanted them. Nobody ordered them. The Defense Department did not ask for them. But they say we want to buy 20 anyway.

There is enough for a star wars program that nobody asked for. Enough for F-16's nobody ordered; F-15's nobody asked for; two amphibious ships for \$2 billion this country does not need; and, yes, even \$60 million for blimps that was written into the Defense budget. Who wrote it in? I could not find out. There were no hearings, no thought, and no discussion. Just buy some blimps. We cannot afford Head Start for kids. But we can buy blimps, the *Hindenburg* strategy of American defense, I guess.

New ideas? No, no. Herbert Hoover with the shoeshine and a haircut; nothing new about this. This is not a new set of ideas, or a new direction, or a new policy. It is, let us decide that the rich have too little and the poor have too much.

Kevin Phillips, a Republican, says this: Cut middle-class programs as much as possible and give the money back to private sector business, finance, and high-income taxpayers. There is nothing new about that. But it is not the right priority for this country. We ought to tighten our belt, and we ought to do it soon.

All of us believe that we ought to balance the budget, and we ought to do it the right way. All of us believe that you ought to invest for the future in this country. All of us believe the right investment will produce results for America.