

BUDGET TABLES—Continued
[Outlays in billions]

Year	Government budget	Trust funds	Unified deficit	Real deficit	Gross federal debt	Gross interest
1981	678.2	6.7	-79.0	-85.7	994.8	95.5
1982	745.8	14.5	-128.0	-142.5	1,137.3	117.2
1983	808.4	26.6	-207.8	-234.4	1,371.7	128.7
1984	851.8	7.6	-185.4	-193.0	1,564.7	153.9
1985	946.4	40.6	-212.3	-252.9	1,817.6	178.9
1986	990.3	81.8	-221.2	-303.0	2,120.6	190.3
1987	1,003.0	75.7	-149.8	-225.5	2,346.1	195.3
1988	1,064.1	100.0	-155.2	-255.2	2,601.3	214.1
1989	1,143.2	114.2	-152.5	-266.7	2,868.0	240.9
1990	1,252.7	117.2	-221.4	-338.6	3,206.6	264.7
1991	1,323.8	122.7	-269.2	-391.9	3,598.5	285.5
1992	1,380.9	113.2	-290.4	-403.6	4,002.1	292.3
1993	1,408.2	94.2	-255.1	-349.3	4,351.4	292.5
1994	1,460.6	89.1	-203.2	-292.3	4,643.7	296.3
1995	1,518.0	121.9	-161.4	-283.3	4,927.0	336.0
1996 estimated	1,583.0	121.8	-189.3	-311.1	5,238.0	348.0

Source: CBO's 1995 Economic and Budget Outlook: An Update, August 1995.

	Year 2002 (billion)
1996 Budget: Kasich Conf. Report, p. 3 (deficit)	-\$108
1996 Budget Outlays (CBO est.)	1,583
1995 Budget Outlays	1,518
Increase spending	+65
CBO Baseline Assuming Budget Resolution:	
Outlays	\$1,874
Revenues	1,884
This Assumes:	
(1) Discretionary Freeze Plus Additional Cuts (in 2002)	-121
(2) Other Spending Cuts (in 2002)	-226
(3) Using SS Trust Fund (in 2002)	-109
Total reductions (in 2002) ...	-456

Mr. HOLLINGS. Since my time is limited here, let me just point out one thing. The interest costs are growing faster than the cuts. The interest costs on the gross debt are scheduled to total \$348 billion for this fiscal year. That is almost \$1 billion a day. In addition, over the 7-year period you know how much we use of Social Security, \$636 billion. It is not a balanced budget, Mr. President, and it's high time we recognize this fact.

The PRESIDING OFFICER. The Senator from South Carolina's time has expired.

Mr. HOLLINGS. I thank the Chair.

Mr. INHOFE addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

BALANCING THE BUDGET

Mr. INHOFE. I hope that everyone is watching what is going on right now. I cannot tell you how long many of us have been working on the problem of the deficits in this country. And we are finally to a point where we can do something about it.

It is hard for Americans to understand the obstacles that we are facing. There are those of us who really want to do something, really want to balance the budget, with the obstacles we face, and not just the things that are said that are not true, but the fact that I cannot help but believe there are some people who really do not care that much about balancing the budget.

This goes back a long, long time. I can remember, Mr. President, U.S. Senator Carl Curtis from Nebraska. I saw the Senator from Nebraska a moment ago. I was hoping he would still be here when I talked about his home State. He came up with an idea way back in 1972. Carl Curtis said the only way we are ever going to get a balanced budget amendment to the Constitution is to get something ratified in advance from the States to show that there is enough grassroots support to pass it.

And so he devised this plan. He said, we are going to have the State senates and State legislatures throughout America pass and preratify an amendment to the Constitution so that will give us the power that is necessary and influence necessary to get this thing passed. He came to Oklahoma. I was in the State senate at that time.

I remember back in 1972 the total national debt was something like \$200 billion. And I remember a TV ad that they had to try to impress upon people to quantify how much money this really was. They had \$100 bills that they stacked up and then finally it was up to the height of the Empire State Building, which was a tall building at that time. That was \$200 billion. That was 1972. Well, anyway, I passed a resolution in the State senate of the State of Oklahoma to preratify it even though technically we know that would not work. And so he came in and we talked about it. That is how long we have been working on this.

Now since that time in my own personal life we have had four children. Now they are all grown. Now we have grandchildren.

We talked on the floor of this Senate as to the significance of the discussion that has taken place right now of the fact that we really have an opportunity to make a vote, to take a step that the CBO and everybody else says is going to balance the budget, is going to eliminate the deficit by the year 2002. Many of us would like to do it earlier than that. But we are satisfied in knowing that we cannot continue on the course that we are on.

During the national prayer breakfast that took place in February of this year I had the honor of participating in that and of talking to many groups that came in from foreign countries.

One was a gentleman who came in from one of the former Soviet Republics. I cannot recall the name of which one it was at this time. But they just recently found their freedoms in that country.

He asked me a question in front of a group. This is during a national prayer breakfast discussion. He said, "Senator Inhofe, in your country, how much can you keep?"

I said, "No. I don't understand what you are saying."

He said, "How much money can you keep?"

Then after a little while I figured out what he was talking about.

What he was really saying is how much do you have to give the Government in America? He was very proud to announce to us that under their new democracy, under their new freedom, that they are able to keep 20 percent. In other words, in that particular country, they turned around and had to give the government 80 percent of everything they earned on a periodic basis like every month or every 2 months. I do not remember the exact timeframe.

And I thought, my goodness, he is so proud of this freedom. Then we looked at a study that no one has refuted, and no one in this Chamber today will refute it, that if we do not do something to change the course that we are on, that by the time someone who is born today, like my three grandchildren, during the course of their lifetimes, they will have to pay, not 80 percent, but 82 percent of their lifetime income just to support the Federal Government.

Now, that is what we are looking at right now. That is why this is significant. That is why we are at a point we cannot say that we are just going to be business as usual. The elections of 1994 were very specific. They had mandates in those elections. All of the post-election surveys have indicated there are about four areas that people want in this country. First, they want less Government involvement in their lives; second, a stronger national defense; third, punishing criminals; and fourth, which actually came out first, they want to do something about eliminating the deficit, about starting to cut into reducing the debt.

Now, obviously you cannot do that until you stop increasing the deficits. We have a program now, that will accomplish that by the year 2002.

I yesterday took to the floor and talked about some of the new allies that those of us who really want to do something constructive about eliminating the deficit have, some new allies that are coming along. We are seeing right now responsible but liberal editorial boards throughout America are now saying, "Look. We have heard enough of this lie that is being perpetrated by the leadership of the Democrats in both the House and the Senate, trying to draw a connection between tax relief and balancing the budget."

And I suggest to you that the choice is not taking that amount of money that is going to be coming out in tax relief and putting it toward the deficit because we know if we are going to be honest with ourselves all that would do is go to more social programs which this administration wants. They do not want cuts. They do not want freezes. They do not want to control growth. They want to increase the social programs. They want business as usual.

Mr. President, the times are changing now. This is not the way it would have been 2 years ago or 4 years ago or 6 years ago.

Mr. FORD. Mr. President, will the distinguished Senator yield?

Mr. INHOFE. I will not yield yet. We are on a timeframe. There are a couple things I want to cover first. The Senator will have an opportunity to have his 10 minutes.

Mr. FORD. I just want to ask a question.

Mr. INHOFE. With this timeframe we are looking at now, it is so critical that we ignore the demagogues and those who are trying to ignore this problem.

I suggest, as I did yesterday, that one of these newspapers which has always been pro-Democrat, as opposed to Republican, which has been liberal in their editorial policy, the Washington Post, had an editorial just the other day, September 15. This editorial is called "Medagogues." In this editorial, they talk about how the Democrats are trying to draw a relationship between tax relief and balancing the budget.

I suggest that anyone—and it has been suggested in some of these editorials, not this particular one, that if anyone was opposed to the tax increase of the Clinton administration of 1993—this is back when the Democrats controlled the House and the Senate and this was characterized as the largest single tax increase in the history of public finance in America or anywhere in the world, and that was not JIM INHOFE, a conservative Republican talking, that happened to be a Democrat on the floor of the Senate talking, that that was the largest single tax increase in 1993.

What did they do? It was a tax increase on, among other people, the senior citizens, a 50-percent tax increase

in Social Security, raising it from 50 to 80 percent. This is something the American people did not want.

So I suggest to you, Mr. President, that if there is anyone out there, including Democrats or Republicans, who opposed that tax increase, they should be for tax relief now. Essentially all we are trying to do is repeal the damage that was done to the American people back in 1993.

"Medagogues" is the name of the editorial:

What the Democrats have instead is a lot of expostulation, TV ads and scare talk.

They go on and on.

But there isn't any evidence that they would "lose their Medicare" or lose their choice of doctor under the Republican plan.

This is something that is very critical, because this is an important part of the bill that will be considered.

Ten days later, they came out again, and I think this is the first time probably in the history of the Washington Post that they came out twice on the same subject taking the conservative side of an issue. The last two sentences of this editorial are:

The Democrats have fabricated the Medicare-tax cut connection because it is useful politically. It allows them to attack and to duck responsibility, both at the same time. We think it's wrong.

I want to conclude, because my time is almost up. I have to be very critical of the Democratic Senatorial Campaign Committee. They are flooding the airwaves throughout America with propaganda such as this one that says: "Inhofe Feasts on Tax Cut for the Privileged While Children Go to Bed Hungry."

Just the other day this was sent out to every newspaper in Oklahoma characterizing me as some kind of monster abusing the children, abusing the elderly. All we are trying to do is protect America for the next generation, my grandchildren, which, if we do not do it, will have to spend 82 percent of their lifetime income just to support this monstrous Government.

So, Mr. President, this is what conservatives are going up against. This is the ridicule we have been subjected to. These are the slings and arrows that are happening to us.

I can tell you right now, the American people understand the same as they understood they did not want our health care delivery system turned over to Government, they understand this is the last opportunity we are going to have in America to actually bring this budget under control and, in this case, to eliminate the deficit by the year 2002.

I will conclude by quoting one of my favorite people, Churchill, who said: "Truth is incontrovertible. Panic may rescind it, ignorance may deride it, malice may destroy it, but there it is." And the truth is going to come through. We are going to succeed in this effort. Thank you, Mr. President.

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER (Mr. BENNETT). The Senator from Arkansas.

A TAX INCREASE FOR 50 PERCENT OF AMERICAN PEOPLE

Mr. BUMPERS. Mr. President, I never will forget in 1981 how the wind swept through this Senate and accepted Ronald Reagan's promise that if we just pass this massive tax cut, it would generate so much economic activity and so many taxes that we would balance the budget in 3 years, no more than 4 years. That was \$4 trillion ago.

I am happy to report I was 1 of 11 Senators that did not buy that for one instant. And, Mr. President, we are getting the same snake oil with this bill.

I applaud a lot of people on both sides of the aisle who have committed themselves to dealing with the problem the American people have said is No. 1. But there is a time to pass tax cuts, and the time to do it is after we balance the budget, not before.

But having said that, Mr. President, let me add that I would not vote for this tax bill if we had a \$300 billion surplus this year. I would not vote for this tax bill if you held a gun to my head, because it betrays every value I hold dear about this Nation. The budget resolution that we passed in June said CBO will certify, not project, certify a balanced budget by the year 2002. And that once they certify it, then the Finance Committee can report out a \$245 billion tax cut. The problem with that is not only has CBO not certified, they have only projected, but once this tax bill passes—and it is going to pass, Mr. President, make no mistake about that—but once it passes, the money will be gone and unavailable to help meet unexpected obligations like recessions, wars, trade wars, earthquakes, hurricanes, or floods.

A flood 3 years ago cost somewhere between \$10 and \$20 billion. We are still paying for Hurricane Hugo, which also cost billions.

But here is the reason I would not vote for the tax bill. Look what it does. It has a capital gains provision: 76.3 percent—think of that, 76.3 percent of the capital gains tax cut which costs almost \$50 billion goes to people who make over \$100,000 or more. That is about 7 percent of the American people, including every single Member of the U.S. Congress.

You think I am going to vote for a bill that gives 6.4 percent to people who make less than \$30,000 a year; 4.6 percent if you make \$30,000 to \$50,000; 6.1 percent if you make \$75,000 to \$100,000; and 76 percent to people who make over \$100,000? I would not vote for that under any circumstances. Those people do not need a tax cut.

I might also say, my friends in the business community in my State say, "Senator, we don't need a tax cut, we need to get the deficit under control. Balance the budget and then talk about taxes."

What is even worse—talk about betraying our values—CBO said this bill represents a tax increase on 51 percent of the American people. That is how