

EXTENSION OF MORNING
BUSINESS

Mr. DORGAN. Mr. President, I ask unanimous consent that the time for morning business be extended for 15 minutes and that I be allowed to speak for as much time as I consume.

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

THE RECONCILIATION BILL

Mr. DORGAN. Mr. President, I listened to the Senator from California and to some others today discussing the issues of priorities. And this Chamber, while now empty, will be full with aggressive debate and much interest next week when we deal with what is called the reconciliation bill. Frankly, most people do not know what reconciliation means. It is a long term that relates to reconciling, to spending, to revenues, and to what was determined in the budget resolution passed by the Congress. That is what reconciliation means. So the bill is brought to the floor, cuts spending, changes the Tax Code, and it reconciles.

We have substantial differences in priorities and differences of opinion about what is important, and that represents the debate. Some people get very upset because there is a debate going on. I think it is a sign of health. That is what politics is. Politics is not a pejorative term. It describes the process by which we make public decisions.

I said before that John F. Kennedy used to say every mother hopes her child grows up to be President, provided the child does not have to get involved in politics.

Of course, getting involved in politics is a method by which we make decisions in America. There is nothing wrong with that. It is a noble, honorable thing to do, and I happen to feel proud and privileged that I am a part of it in the Senate.

The Senator from California talked about her heritage, and I was thinking yesterday about this. I was on a radio call-in program and someone called who had read an account of my great grandmother settling in North Dakota. I had attended a Scandinavian event and someone in the press had done a story about how my grandmother came to North Dakota.

The story just in thumbnail sketch was that she, Caroline, and Otto met and fell in love in Oslo, Norway, and got married as young Norwegians and then moved to the New World and settled in St. Paul, MN. After some time Otto died and Caroline, with her children—I believe it was six children—moved to the prairies of North Dakota and pitched a tent and with her children built a house and homesteaded 160 acres of land.

Someone had read that account in a press story last week as a result of my attending a Scandinavian festival and

they called the radio station I was on and said is it not interesting, the story about your grandmother, this gritty, courageous Norwegian woman who comes from Norway to the United States, and then her husband dies and she takes her children to go to North Dakota to homestead on the prairie—pitches a tent, builds a house, raises a family, and homesteads 160 acres.

And she said, what do you think would have happened to your grandmother had we had a welfare system back at the turn of the century? Would there not have been the incentive to do that?

I thought about the question. It was an interesting question. I said, who do you think she got the land from? Who do you think created the Homestead Act? Who do you think passed a bill that said we are going to have a Homestead Act to say to people if you go out and homestead on the prairies and do the right things, we will give you 160 acres of land?

Yes, that is right, the Government. The Federal Government. Did it play an instrumental role in my great grandmother's life? You better believe it did. The Government has played a constructive role in a lot of lives. We are the Government, all of us. Every citizen in America is the Government. I know people want to just compartmentalize and say, boy, everything is awful, everything is evil, nothing works.

The fact is, from the Homestead Act to the GI bill, together, people working together, people making the right choices and right decisions about what is a priority for this country, have had an enormously important influence in the lives of people.

It is the Government, us together, we have built the education system in our country. We have something like 140 world class universities in this world. Over 120 of them are stationed where? In the United States of America. Let me say that again. We have something like 140 world class universities. Over 120 of them are located in our country. Chance? Accident? No, it is people working together. A lot of them are public institutions. People working together doing the right thing, saying education is important. We not only have done it at the top level, building world class universities, the best in the world, judged by everyone, but where are people going to school? Are they rushing to Iraq to go to college? I do not think so. No, people are coming to America to attend some of the greatest universities in the world. We have not only done it at the top, but we have done it at the bottom.

We created a Head Start Program, and we said to little kids 3, 4, 5 years old, who were in trouble, living in circumstances of poverty, living in dysfunctional families, we are going to give you a head start. We are going to give you an opportunity. And we created a Head Start Program to give those little kids an opportunity. And

guess what? It works. It works really well. Everybody understands it works.

Now, the majority is saying that we cannot afford that. We are going to kick 55,000 kids off the Head Start Program. Every one of those kids has a name, and they have in their hearts some hope that things are going to change in their lives. And Head Start has been helpful to those kids—helped them to hold on to that hope.

It is a long way of getting to the point of saying this is all about priorities, this debate. It is not a debate, as the Senator from Wyoming alleged a while ago, about people do not want to balance the budget and people do. What a bunch of nonsense. That is not what the debate is. Everybody in here believes we ought to balance the budget. The question is not whether. The question is how.

I voted for a balanced budget in this Chamber. I voted for a balanced budget amendment to the Constitution for that matter. We had two versions, one that did not raid the Social Security System and one that did. I voted for that one that did not. But in any event, this is not about those who believe we should balance the budget and those who do not. All of us want the same goal. We want to balance the budget. This is about priorities.

The priorities that have been chosen by some in this Chamber—and it is their business. They have a vote. They have a right to choose priorities—say this. When the defense bill came to the floor of the Senate, they said to us we are conservative, we are frugal, we are penny pinchers, but when it comes to defense we want to spend \$7 billion more than the Secretary of Defense asked for. The Secretary of Defense says we need a certain number of trucks. These folks say, I am sorry, you need a lot more than that. We insist on building you trucks you did not ask for. Ships, we demand that you buy ships you say you do not want. Jet airplanes, F-15's, F-16's, we will write them in. You did not ask for them. Well, we are going to build them for you anyway. How about the B-2 bomber? I supported 20 B-2 bombers. I supported 100 B-1 bombers. But now we are told by people who are conservative, penny pinching, frugal Members of Congress, we want to build 20 more B-2 bombers at a cost of \$20 billion. It does not matter the Secretary of Defense says he does not want them. We insist you take them. And the hood ornament on this excess is the star wars program. We insist on an astrodome over America, a new star wars program, and we demand, by the way, that we go out and put it in the field by 1999, accelerated development—\$7 billion they want to stuff in the trousers of the Pentagon that the Secretary of Defense did not ask for.

Again, is this frugal? Is this penny pinching? Is this conservative? I do not think so. I think that is reckless, wild-eyed spending. This is my judgment.

The same people who say we want to build star wars, when it comes to talking about star schools, say we are sorry; we do not have enough money. And 55,000 Head Start kids, we are sorry, you are out of luck. The poor kid going to school, we say you are no longer entitled to a school lunch in the middle of the day. We are going to remove the entitlement. Somebody might not want to give you lunch. As far as we are concerned, they do not have to.

In the whole series of priorities, including and especially the issue of Medicare and Medicaid, do we have to fix Medicare? Yes. There is no debate about that. Is there a solvency problem? You bet. Do we try to address it? Yes. But should we cut \$270 billion from Medicare? I do not think so. Some people say, what do you mean, cut? There is no cut in Medicare. Of course, there is a cut—\$270 billion less than what is needed to fund Medicare in the next 7 years.

Now, who do you think that is going to come out of? It is going to come out of somebody. Rural hospitals maybe. Senior citizens are going to pay more and get less. That is exactly what is going to happen—pay higher premiums and get less health care. Should we cut health care? Should we cut \$270 billion? Of course not. Why are we doing that? Why the proposal to cut \$270 billion? Because some feel they erected a tent with the center pole being a tax cut. The center pole of this new tent is a tax cut. And they insist on a tax cut. In order to pay for a tax cut, you are going to have to cut Medicare and Medicaid and those other things with the depth that they are discussing.

Let us take the tax cut just for a moment. We are told that the tax cut is perfectly appropriate because those who propose it are proposing to balance the budget. Well, why then in their proposal do they add hundreds and hundreds of billions of dollars to the debt at the same time they are talking about a tax cut?

Some of us happen to feel you ought to deserve less. You say, "Set up the table. We will serve dessert first." Politically, I guess, it is very attractive. I would like to be one of those who say my existence here is predicated on the ability to deliver a tax cut for the people whom I represent. My guess is most of them would prefer much lower taxes. They would like a tax cut.

But they would also believe, I think, that, just as in a family budget, you should deal with your spending problems first, balance your budget first, and then deal with a tax cut. I think that is how they would feel.

Now, with respect to this issue of priorities, I mentioned the other day I come from a town of 300 or 400 people. Actually, it was 400, but, like most rural communities in small counties, it is shrinking. But let us take this town of 300 or 400 people and use that as an example of what we are doing here in

this Chamber. Let us consider this budget, the budget for my community.

Here is what we do. We get in the car, and we get all of our little envelopes telling people what this is going to do to them, and we just start driving around town. First, we come to the part of town where people do not have it so good. The houses are not quite so big. Some people are home because they cannot find work. Some people do not have much. They are hungry. But it is a part of town where there is not much in resources and people are struggling to make ends meet, working hard but not gaining ground.

And we stop at their home and we say to them, "Here is an envelope. This tells you what our plan is for you. Our plan for you is we're going to cut back on the earned income tax credit. That means you will pay higher taxes." In fact, all families with under \$30,000 in income largely will face higher taxes, or put another way, 50 percent of the American taxpayers will end up with a slightly higher tax bill.

We also say to some of those people that "Your child is now in Head Start, but we cannot afford to keep him or her there. We will have to take your kid out of Head Start. Your grandma is on Medicare. Her premiums are going to be increased and she'll have managed care and she won't have the choice of a doctor or hospital anymore. Your daughter who is unemployed is now on Medicaid. We have a problem with Medicaid funding."

We go on down the list in terms of what the bad news is for those families who are struggling and not making it very well.

But then we keep driving around this same town and when we stop at the biggest houses in town, the folks who have the most money, the folks who have the house on the hill, who have done very well, we say to them, "Here is the envelope for you. Here is what this means. By the way, this is awfully good news for you because you happen to get your income from stocks and bonds. You have been enormously successful. And you are very wealthy. You get your money from stocks and bonds. So we have decided that people who get their money from stocks and bonds, they need a lower tax rate. So you are going to be blessed with a very substantial cut in your taxes."

And then we say that when you add all of this up, we come out with a balance. We have taken from those who do not have very much. We have given to those who have a lot. And then we have established essentially a balance. But no one is told that in order to get to that point we have taken all the trust funds out of a pension program that existed in that town and brought them over to use them as revenues when we count whether or not we have reached a balanced budget.

And that, in a nutshell, is the plan we have coming to the floor of the Senate. Some of us feel there is a better way and a different way and a way with

better priorities and choices for the future of this country to address these budget issues.

No one disagrees we should reach a balanced budget. And we ought to reach a balanced budget, by the way, without raiding the Social Security trust funds to do so.

I had a short discussion with my colleague from Pennsylvania today. I showed my colleague from Pennsylvania the October 18 letter, which was Wednesday's letter trumpeted on the floor of the Senate, which says this reconciliation bill brought to the floor is going to have a balanced budget, in fact, a slight surplus.

Then yesterday, at my request, the same person, the Director of the Congressional Budget Office, wrote a letter that said, if you count this the way the law requires you to count it—she does not say that, but I asked her that—and do not use the Social Security trust funds, because they are not part of the budget and shall not be counted, what then do you have? And the answer is, well, in the year 2002 you do not have a balanced budget, you have a \$98 billion deficit.

Mr. President, we will have a very substantial debate on all of these issues. I believe that we have to trim spending in many areas—Medicare, Medicaid, they will be trimmed some, the farm program, yes, somewhat—but I do not believe that you take the most vulnerable Americans and put them right smack in the bull's-eye and say, "By the way, when all the dust is settled and all is said and done, you are going to pay up." And then we say to others, "You have been so blessed in this country. By the way, when all the dust settles and all is said and done, guess what? You are going to be much better off because these sets of policies decide that you are more worthy than others."

I think there is a better way. And many of us will offer amendments next week, amendments that will get us to a balanced budget, really get us to a balance where it is not misusing the Social Security trust funds but really balancing the budget and doing it with different priorities. I do not want the message to be to family farmers, "You are in trouble? Well, move to town. We could not care less." "You are poor? Tough luck." "You are poor and old? That is even tougher luck."

I mean, I would like our sense of policies to be to say to people that are important, little kids going to Head Start, "You matter. Your life matters to us. We care about you." We can make room in these priorities because we can shift some of that money, because we can buy one less B-2 bomber and maybe not buy the fuel gauge or landing gear as spare parts for one B-2 bomber and pay for all of it for 55,000 children. Maybe that is the priority. Maybe we decide star wars is not the priority. Maybe we accept the judgment of the military people and the

Secretary of Defense, who says we should not do this.

We say, all right, that is \$48 billion. So what could we do with \$48 billion? Maybe we reduce the deficit, first of all, or, if you insist on spending it, did not want to do that, if it is not star wars, how about star schools? How about deciding kids are as important as bombers? Those are the priorities that we will debate next week.

No one in this country should lament the fact that we are going to have a debate. If we at the end of the day can maybe reach some understanding between all of us of what the right priorities are, what really advances America's interests, which investments make life worthwhile for all Americans, what expands opportunities in our country, if we can develop better understandings of what achieves all of that, then our country is better served, in my judgment.

I am not someone who believes the Republicans are all wrong and we are all right. That is simply not the case. All of us have made mistakes in this country. This country is blessed with people who make good decisions, Republicans and Democrats. And I hope at the end of this reconciliation fight we can find a way to create more of a bipartisan approach to addressing some of the wrenching, real problems we have.

I have often thought it would be useful, perhaps, for us to restrict ourselves someday, and it would be useful, probably, for talk radio, for example, to restrict themselves, maybe to have a day a month and talk about what is right with America, what is right with our country. Would that not be hard for some people because there are so many who are only willing to talk about what is wrong. The fact is, most people are coming here, not leaving. Can you think of someplace you would rather live? I cannot. This country is the best place in the world to live.

The question is, What is right with it? How do we build on what is right with it? I think it would be nice for talk radio and, I guess, the U.S. Senate from time to time to set aside a period and say, this is a period where we are going to talk about what works and what makes it work and how we build on that. And, I mean, maybe someday we can get to that kind of discussion, which I would also like to have.

Mr. President, I yield the floor.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER (Mr. Smith). The Senator from Minnesota.

Mr. WELLSTONE. I thank my colleague from North Dakota for his remarks. And I will pick up on his last point.

First of all, Mr. President, I ask unanimous consent that morning business be extended for 15 minutes.

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

WHERE IS THE STANDARD OF FAIRNESS?

Mr. WELLSTONE. Thank you, Mr. President. I appreciate what the Senator from North Dakota said about our country. And I would say to my colleague who is presiding, the Presiding Officer, that I have said probably every week, when I go home, to someone that when I come to the floor of the Senate I still get goose bumps. It is a real honor to serve in the U.S. Senate and for Minnesota. If you look at these buildings here in Washington, DC, and you think about what they stand for—my father was a Jewish immigrant who fled persecution in Russia. It is a wonderful country, and we ought to emphasize the positive.

Mr. President, next week we will have debate—not hate, but rather a debate. And I would like to lay out my framework just for really not more than 10 minutes.

Mr. President, I came to the floor of the Senate at the beginning of this Congress, and I had a resolution. It was nothing more than a sense-of-the-Senate amendment that it was the sense of the Senate that we would not take any action that could create more hunger or homelessness among children. Actually, it was defeated twice. Then the third time it was passed by a voice vote. I now regret that I accepted a voice vote, because I think it was a symbolic vote, because if I look at this deficit reduction, the issue becomes deficit reduction based upon what standard? Is it deficit reduction based on the path of least political resistance? Are we asking some of the citizens to tighten their belts who cannot? And are we leaving a lot of special interests untouched? I think we are.

I certainly will be active in the debate next week with amendments to force some discussions on these issues, and I want to know where Senators stand.

We have something like \$35 billion slated for cuts in nutrition programs for children. Food stamps and the Women, Infants, and Children Program, the WIC Program, is an incredibly important program, because if you were to ask me as a former teacher what is the most important education program, I would say to make sure every woman who is expecting a child—I just had a grandson, our third grandchild, a week ago. That grandson, Joshua Paul, I think is going to have a good life. He was born healthy, but my daughter, Marcia, had an adequate diet. She had the resources to make sure she did.

My God, children at birth are not going to have the same chance if their mothers have not had a decent diet. We are cutting the Women, Infants, and Children Program.

The Food Stamp Program is not perfect; we ought to make it more accountable. The fact of the matter is, imperfections and all, we dramatically expanded the Food Stamp Program after the expose on hunger and mal-

nutrition in America, and we did it in the early 1970's. We had some national standards, and we implemented this program across the country. We do not have all the children anymore with distended bellies. We do not have the same amount of hunger and malnutrition, though we still have too much. We are cutting into these programs.

When it came to the Pentagon budget, which was \$7 billion more than the Pentagon asked, when it came to the military contractors, when it came to star wars or Stealth or Trident, we just gave the money away. They have the clout. They are the heavy hitters, they have the lobbyists, and they did just fine. But the children in America did not, especially poor children.

I just do not think there is a standard of fairness. I think there is consensus that you have to pay off the interest on the debt. That is what this is all about. There is not a Senator here that could be proud of the building up of the debt in this country. The question becomes, when you make the cuts and you do the deficit reduction, where is the Minnesota standard of fairness? That is the question.

Mr. President, the Finance Committee met and came out with \$245 billion of tax cuts. But here is the interesting thing. If you have family incomes below \$30,000 a year, which is about half the people in this country, you have the earned-income tax credit taken away from you and you pay more. You are paying a tax all the way up to families \$30,000 a year and under. But, by golly, if you are in the top 1 percent of this population with incomes over \$350,000 a year, you get a \$5,626 break. And if it is \$200,000 a year, you get \$3,416. This is a subsidy in inverse relationship to need.

If you are at the top of the population income-wise, the top 1 percent, you get a huge tax break. If you make over \$200,000 you do, and if you make over \$100,000 you do. But if you make under \$30,000 a year, you do not get any break; you pay more. This is like a subsidy in inverse relationship to need. Same issue.

This is what I am going to zero in on next week: Why have the military contractors got everything they wanted? Why do the children lose some of their nutritional programs? Who has the power in America? Who has power in the Congress? Special interests dominate.

Why does the top 1 percent of the population get a huge tax break and the bottom 50 percent of the population get an additional tax? Who has power? Who has the lobbyists? Who are the special interests? Who is well represented here? There is no Minnesota standard of fairness in this plan.

Finally, Mr. President, I have two other issues to mention. One is student financial aid. It is not coming up enough. I was a teacher for 20 years, and when we marked up the cuts in financial aid out of committee, I asked colleagues—and maybe they have done