

my vote and then vetoed by the President of the United States. Following that veto, there must follow, by necessity, some kind of compromise. This system is predicated on compromise.

I think this is a sign of strength. We come to the floor. We discuss 2,000 pages. It is not a sign of strength that we get 2,000 pages in the late afternoon and are told, "By the way, we will start in the morning." That is not the right way to do it.

But we will have, I think, in the next few days, a pretty aggressive debate about priorities, and I hope at the end, after this bill is vetoed, we will come back to another set of priorities that better represents this country's interests.

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

Mr. DORGAN. I will be happy to yield to the Senator.

Mr. BYRD. It is a sign of strength just to be able to lift this monstrosity. Does anybody in this Senate know what is in this bill; 1,949 pages? We will be flying deaf, dumb, and blind, because we do not know what we are voting on here. I suppose there are a few members of the Budget Committee who will know something about it, but the rest of us, though, do not. It is a monstrosity. It is an abomination. And we have all of 20 hours—20 hours for debate, for amendments, motions, et cetera. It is ridiculous.

I thank the Senator for yielding.

Mr. DORGAN. I could not agree more with the Senator. Again, I think this will be vetoed and perhaps after that, we will have a more orderly process that results in better priorities.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Mississippi.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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 President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. DOLE. Mr. President, as soon as Senator DASCHLE or Senator EXON are on the floor, I will call up the reconciliation package, but I will await their arrival and go ahead and make my remarks.

#### THE RECONCILIATION BILL

Mr. DOLE. Mr. President, 31 years ago this Friday, Ronald Reagan delivered a nationally televised speech that began his career in politics. The speech was called "A Time for Choosing."

Ronald Reagan made clear that the choice facing America was not one between right or left—rather it was one between up or down.

More than three decades later, this Congress now faces that same choice.

We can either go down the path of the status quo—a path that will lead

America into a downward spiral of bigger government, higher deficits, more taxes, and a financially bankrupt Medicare system.

Or we can move America up to a brighter future, a future where our children and grandchildren are free from staggering deficits. A future where power flows from our States to Washington, and not the other way around. A future with a strong and secure Medicare Program.

Mr. President, I believe the choice is clear.

For this historic Republican Congress, the vote on the reconciliation bills will be a defining moment. It will be the moment when the American public will see that we are not business as usual. We are not the status quo. Rather, this Congress is one that keeps its promises to the American people.

There will be plenty of debate in the coming days, and I know the American people will be listening closely. Judging from what has been coming out of the White House lately, I know they will hear a lot of rhetoric, and a lot of scare tactics.

But I believe that in the end, they will see through this smokescreen, and they will see the truth.

And the truth is that the Republican budget contained in this bill is a realistic, thoughtful budget blueprint for America. The truth is that it will ratchet down the deficit by roughly \$30 billion a year during the next 7 years. The truth is that it will balance the budget in the year 2002. And the truth is that it is the only real honest budget plan before the American people.

The truth also is that a balanced budget means a brighter future for our children and grandchildren. Our national debt is now so huge that a child born in 1995 will pay more than \$187,000 in taxes over his or her lifetime just to pay their share of the debt. We owe our children a far better future.

A balanced budget will create lower interest rates, which means that more Americans will be able to own a house, buy a car, or go to college, or to borrow money. Lower interest rates also mean business will have more money to invest and hire workers.

The truth also is that the American people are more able to decide how to spend their hard earned money than are Government bureaucrats.

And with the \$245 billion tax cut contained in this bill, millions of American families will have more money to spend. Our \$500-per-child tax credit will mean that over the coming years, families will have thousands and thousands more dollars to spend on college tuition or braces for their kids.

We will include in the RECORD during the debate how such money will be coming to each State, such as my own State of Kansas. There are a lot of families with children. They are not rich. But a \$500 tax credit—if you have two or three children, that is \$1,500. They can spend it better on their families than any bureaucrat I know of in Washington, DC, or any Member of

Congress, for that matter, on either side of the aisle.

By rewarding those who save and invest, our capital gains tax cut will also create jobs and opportunity.

There is an undeniable truth that the President has tried to ignore for months and months. And that is the fact that three of the President's own Cabinet members tell us that if no action is taken, Medicare will be completely broke by the year 2002.

This bill makes the tough decisions necessary to preserve, protect, and strengthen Medicare. And we have been aided a great deal in this effort by the Presiding Officer, the Senator from New Hampshire, Senator GREGG.

We do it by slowing its rate of growth, and by giving seniors more options in selecting their health care.

And despite the phony talk you may hear of "cutting Medicare," the Republican plan will increase Medicare spending from \$4,800 per beneficiary in 1995 to \$6,700 per beneficiary in 2002.

Let me repeat: The Republican plan will increase Medicare spending from \$4,800 per beneficiary in 1995 to \$6,700 per beneficiary in 2002.

I know that during the next few days, some of my friends on the other side of the aisle will be painting horrible pictures. They will tell us that passage of this bill means we are turning our backs on children, on seniors, and on the disabled. They will repeat it again and again. But no matter how many times they repeat it, it does not make it true.

Mr. President, I wish all Americans could read the column by budget expert James Glassman that was printed in the October 17 edition of the Washington Post. Mr. Glassman's column—and I ask unanimous consent that it be printed in the RECORD following my remarks—makes clear the falsehoods contained in some of the emotional rhetoric we have been hearing.

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

(See exhibit 1.)

Mr. DOLE. Mr. Glassman writes that under the Republican plan, Federal spending will rise between 1995 and 2002 by \$358 billion—or 24 percent. It is going to rise 24 percent over the next 7 years. Is that devastation? Is that cutting programs? No. Only in Washington would a \$358 billion increase be called a cut.

The media bought onto the President's spin for the most part; they keep talking about it. Turn on NBC, and Katie Couric is talking about "big cuts, big cuts." She does not know anything about the budget. All she is picking up on is the liberal spin which the Democrats have been dishing out there with no facts, no effort to save Medicare, to balance the budget, or tax cuts; a lot of talk, but that is about all.

Mr. Glassman makes very clear that President Clinton was absolutely off the mark when he said—and I quote—"I will not let balancing the budget

serve as a cover for destroying the social compact."

The truth is, as Mr. Glassman writes, if the budget becomes law, the social compact will actually be strengthened, for not only will the Government keep its commitments to the elderly and the poor, it will also meet an even more important obligation to the public—the obligation to spend no more than it takes in.

Throughout this process, on every major issue contained in this legislation, the Speaker and I have invited President Clinton to join with us in giving the American people the fundamental change they want. Instead of sitting down with us, however, the President has flown around the country making speeches, playing politics, taking polls, and avoiding the work and making policy decisions. The President apparently believes that the American people do not really want a balanced budget. He believes that the people are so dependent on the Federal Government that they will not tolerate slowing its rate of growth. He believes the American people are willing to sacrifice the future of their children and grandchildren so that the Government can continue its free spending ways, and he is wrong, and he will find out that he is wrong. And one of these days he is going to find out how to contact the majority leader in the Senate and the Speaker of the House, and when he does we are willing to sit down with the President of the United States.

But right now it is all rhetoric. It is all politics. It is all polls. It is all scaring seniors, scaring veterans, scaring children, and all a week before Halloween. Maybe by the time Halloween comes he will have everybody in a state of frenzy and we will be in that funk the President talked about. He said America is in a funk. America is not in a funk. They want fundamental change, and we are about to give them fundamental change. We would like to do it with the President's cooperation.

I am reminded of the words of Winston Churchill who said:

We have not journeyed all the way across the centuries, across the oceans, across the mountains, across the prairies, because we are made of sugar candy.

I say to President Clinton: Mr. President, the American people are not made of sugar candy. They are far stronger and wiser than you think.

I also say that this Republican Congress is not made of sugar candy. We promised we would balance the budget, and we will. We promised we would cut taxes, and we will. We promised we would preserve and protect and strengthen Medicare, and we will. We promised we would have welfare reform, and we will. October 1995 is a time for choosing, and I invite all Senators on both sides of the aisle and all Americans, regardless of their party, regardless of their philosophy, to stand with us as we move our country up to a future of unlimited hope, freedom,

and opportunity. That is what this debate is going to be all about.

There will be some policy differences, obviously—some legitimate policy differences, but there will also be a lot of politics, and we prepared for that. And I just urge my colleagues on this side of the aisle, this is the most historic moment in my memory in the Congress of the United States. And I have been here for some time. Never before have we tried to bring about such fundamental change. It is going to be up to us. We have the majority. It is our responsibility. And we need 53 Republicans standing together when the final vote comes.

So I urge my colleagues to pay attention. I know that both Senators DOMENICI and EXON will be explaining in detail all the different amendments and their opposition or support for the different amendments.

#### EXHIBIT 1

[From the Washington Post, Oct. 17, 1995]

#### THE NO-CUT BUDGET

(By James K. Glassman)

Despite what you've read and heard, the Republican budget—now moving toward passage in its final, "reconciliation" form—does not cut total federal spending, nor does it cut tax revenues. Not by a long shot.

An illuminating way to look at this budget is to take what the government actually spent and raised over the past seven years and compare it to what Republicans propose to spend and raise over the next seven years. The results:

Spending will increase by \$2.6 trillion.

Revenues will increase by \$3.3 trillion.

These figures may surprise you; they run counter to what you've seen in the press, which continually uses the word "cuts" when referring to both spending and taxes. But in the misleading baseline-budgeting nomenclature of Washington, a cut is a reduction from a previously projected increase.

The real spending and revenue numbers show something quite different: that the Republican revolution is more modest than both Republicans and Democrats claim.

During the seven years from 1989 to 1995, federal spending totaled \$9.5 trillion. During the next seven years, the congressional budget agreement calls for spending of \$12.1 trillion.

As for revenues: During the seven years just past, the government collected \$7.9 trillion in taxes. Over the next seven years, the Republican plan will raise \$11.2 trillion in taxes—even taking into account the \$500-per-child credit and GOP changes to capital gains that will reduce expected tax revenues by \$245 billion.

If Congress did not make any changes to the budget, spending would rise by 37 percent and revenues by 44 percent, the Congressional Budget Office (CBO) estimates. But under the GOP seven-year plan, spending will rise by 27 percent and tax revenues by 41 percent.

Stop and think about those numbers. They seem to represent a reasonable path toward an objective that most Americans share: a zero deficit.

In the fiscal year that ended on Sept. 30, 1995, the government ran a deficit of \$161 billion. If nothing is done, CBO says the annual deficit will continue to rise in 1996 and each successive year, reaching \$256 billion in 2002.

Any business or household facing such a prospect would quickly reduce its spending. But the federal government doesn't have to do that—mainly because the U.S. economy,

even growing at a moderate 2.4 percent a year, is so powerful that it will generate vastly higher tax revenues.

The aggregate numbers I've just cited—1989-95 vs. 1996-2002—are probably the best way to look at budget changes. But, in case you think I'm pulling a fast one, let's look simply at two specific years: the one just past (fiscal 1995) and the one in which the congressional resolution requires a zero deficit (fiscal 2002).

In 1995, federal spending was \$1.5 trillion. If current policies were to continue, spending, according to the CBO, would be \$2.1 trillion in 2002. That's an increase of \$600 billion, or 40 percent. Under the GOP plan, spending will rise between 1995 and 2002 by \$358 billion, or 24 percent. (That's slightly ahead of inflation if prices increase 3 percent annually.)

Only in Washington would a \$358 billion increase be called a "cut." In fact, Republicans who want to sound as if they're making big changes and Democrats who want to frighten the public both say that the GOP budget "cuts" total about \$1 trillion. This absurd figure is derived by taking the difference between the CBO's projection and the Republicans' proposed spending for each year from 1996 to 2002, then adding all seven numbers up.

Consider Medicare. Politicians talk about \$271 billion in cuts, but actually, under the GOP plan, spending in 2002 will be \$86 billion higher than in 1995, an increase of more than 6 percent annually.

The real question for voters assessing the GOP budget is where the additional \$358 billion in federal spending in 2002 is going. The answer is entitlements: Social Security will cost \$146 billion more in 2002 than in 1995, Medicare (for the elderly) will cost \$86 billion more and Medicaid (for the poor) will cost \$35 billion more.

Miscellaneous entitlements (food stamps, the earned income tax credit, military retirement, etc.) will rise \$63 billion. Add interest on the national debt (there's nothing we can do about that one), and the total additional spending exceeds \$358 billion.

By deciding to preserve and increase these entitlements, Congress had nothing left for increasing the "discretionary" side of the budget, where outlays will total \$515 billion in 2002, down from \$548 billion in 1995.

Defense comprises most of discretionary spending, and it will be flat at roughly \$270 billion. Transportation spending will fall from \$39 billion to \$32 billion; education and training will drop from \$39 billion to \$35 billion; foreign aid and other spending on international affairs from \$21 billion to \$15 billion.

Intelligent folks can differ on where to spend the government's money. Maybe defense should be cut and transportation increased.

But once the nation has decided to balance the budget, keep Social Security intact and pare back expected tax revenues slightly (and voters made those decisions last November), the choices are pretty limited.

President Clinton knows this very well, but with a devotion to the first-person singular exceeded only by Sen. Phil Gramm's, he said on Friday, "I will not let balancing the budget serve as a cover for destroying the social compact."

The truth is that, if Congress's budget becomes law, the social compact will actually be strengthened. Not only will the government keep its commitments to the elderly and the poor on health care, it will also meet an even more important obligation to the public that it abrogated 30 years ago—to spend no more than it takes in.