

Mr. President, I make a point order a quorum is not present.

The PRESIDING OFFICER (Mr. COATS). The clerk will call the roll.

The bill clerk proceeded to call the roll.

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 President, I ask unanimous consent that the order for the quorum call be rescinded.

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

ORDER OF PROCEDURE

Mr. THOMAS. Mr. President, I think in this continuing effort for the freshman and sophomore class to bring something of a unique view to this Senate, we have set aside, I believe, a half an hour.

The PRESIDING OFFICER. The Senator is correct. The Senator is recognized under the previous order to speak in morning business for up to 30 minutes.

Mr. THOMAS. I thank the Chair. I would like now to yield to the Senator from Tennessee.

The PRESIDING OFFICER. The Senator from Tennessee.

RESTORING THE BONDS OF TRUST

Mr. FRIST. Mr. President, it is a real pleasure to be able to join my fellow freshmen and sophomores with a message that has been consistent. It is a message asking for the courage of the American people to come forward to accomplish the agenda that has been set out in a very clear fashion.

Politics, like medicine, must be based on trust. Without trust, people lose more than their faith in Government. They lose all hope, hope that life in the future will be better than in the past.

That is why in the 1994 campaign, Republicans pledged not just to change politics but to restore the bonds of trust between the people and their elected representatives, to make us all proud once again of the way free people govern themselves.

The ideal of freedom and opportunity, which is the spiritual strength of our Nation, is what motivated our Founding Fathers. That ideal is what motivates us today.

As the poet Archie MacLeish once remarked in a debate about national purpose, "There are those who reply that the liberation of humanity, the freedom of man and mind, is nothing but a dream. They are right. It is. It is the American dream."

Mr. President, we can no longer sacrifice the future, the future of our children, by clinging to the past. We must work to restore the American dream for our children and for our grandchildren, but that means keeping our promises.

Keeping our promise to balance the budget means a better life for all Americans. As interest rates fall and productivity rises, all Americans will enjoy a higher standard of living.

Keeping our promise to save and strengthen Medicare means that for the first time seniors will have a voice but also a choice, and the Medicare system will be preserved for that next generation.

Keeping our promise to cut taxes means that all Americans who have watched their tax burden grow from as little as 2 to 5 percent in 1950 to almost 50 percent today will finally get to keep more of what they earn.

Keeping our promise to end welfare as a way of life means that the cycle of poverty that has trapped a generation of families in welfare will at last be broken and parents will be able to regain their pride and their dignity through work and personal responsibility.

It is a time to change. It is a time to call upon the courage of legislators, of representatives, and of the American people to recognize and carry out this change.

The decisions we make today will determine our future. Let us go forward with hope, confident that the future we leave to our children and to their children will be brighter than our past.

That is the legacy of our parents and that their parents left to them. It is the legacy all Americans inherited from our Founding Fathers, the legacy of the American dream. Let us not be the first generation who fails to pass it on.

Mr. President, I thank the Chair, and I yield floor.

Mr. THOMAS addressed the Chair.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. THOMAS. I yield myself such time as I usefully use.

Mr. President, I congratulate my friend from Tennessee, who has certainly been a leader in the Medicare-Medicaid propositions that have come forward. He has been a leader partially because of his experience as a physician, but also having a very strong commitment to move forward in the changes that need to be made in order to strengthen and preserve these programs so that they will be useful. So I congratulate my friend.

LET US TALK ABOUT THE FACTS

Mr. THOMAS. Mr. President, we have been talking now for some time and will continue to talk, certainly through this month. I hope much of the bill will be completed within the next month so it will come to a closure that will be useful to the American people. I am confident that it will.

In the meantime, I think it is important that we continue to talk about what it is we are seeking to do, that we continue to foster an understanding in the country of what the issues are that we are talking about. I have expressed before and again say that I am very concerned that in this democracy, in this country, this Government of the people and by the people and for the people, that we need to have facts upon which each of us can make the deci-

sions that we need to make as citizens and as voters and as leaders in our communities there.

There are differences of view. That is legitimate. There will continue to be differences of view. There are extreme differences of view among some of the Members in this place. But the decisions that are made, regardless of that point of view, have to be made on facts.

We all have a right to our own opinion, but we do not have a right to our own facts. I am concerned about it. I am concerned about it. When I go home to Wyoming, people talk about what they perceive, what they have heard in the media, what they have heard from opinion analysts and things of that kind that are not necessarily so. So I hope that for the most part we can talk about the facts.

I received a letter, as a matter of fact, from a lady in Afton, WY, whom I know, who has been very involved in public issues and has been active as a silver-haired legislator. She expressed her concern about some of the decisions that are being made and are being proposed. But I thought the interesting part was that she expressed her particular concern about the future and about her grandchildren and the things that would affect them. She talked about the fact that things are not going well, in her judgment, in the country. And, indeed, they are not where we would like them to be.

I thought it was interesting that she resisted the idea of change. Basically that is what we are talking about here a lot. People will stand up, one after another, decry the situation we are in, talk about the future, talk about kids, talk about taxes, and then resist change, as if things were going to change by continuing to do what we have been doing. It seems to me that is a fairly simple concept. We have not balanced the budget for 26 years. We have got to do something different if we believe, as I do, that we need to balance the budget. I think most people know something of the condition that we are in, some of the conditions that we need to change. One of them is to balance the budget.

Let me read from this column, the Parade magazine column. This author uses this example:

Let's suppose you have an income of \$125,760 that comes not from work but from the contributions of all your friends and relatives who work. You're not satisfied with what \$125,760 can buy this year, so you prepare yourself a budget of \$146,060 and charge the \$20,300 difference to your credit card, on which you're already carrying an unpaid balance of \$472,548 . . . on which you pay interest daily. Multiplied by 10 million times, that's what our government did in the fiscal year of 1994.

That is what we have been doing, putting it on the credit card for these young people who will pay for it. We maxed out the credit card. We will be working in the next month to have to raise the debt limit to \$5 trillion. So balancing the budget, most everybody

understands, is something that has to be done.

Medicare and Medicaid. Clearly if you think Medicare is something you would like to have in the future, if you think health care for the elderly is something that we should maintain and strengthen, then you have to change. The trustees say you have to change. It cannot continue to go on the way it is.

Welfare. Most everyone who has watched welfare at all would agree, first of all, with the concept that we ought to have programs that help people who need help, but that they should be designed to help people help themselves to go back into the workplace. That has not worked. There are more people in poverty than there were when Lyndon Johnson was here and started this whole system.

Yet each year in the interim, as things did not go well, the solution was to put more money into the same program and expect different results, which of course, does not happen.

Reduction of taxes allowing people to spend more of their own money, is that not a concept? And we are seeking to do that.

So that is what we need to do. Unfortunately, we need to come together on these principles. We need to come together to move forward in an area that will accomplish these things. And guess what? Guess what? We do not have any leadership from the White House. These are the things that the President has said he is for—balancing the budget, saving Medicare, reforming Medicaid.

He wrote a letter when he was Governor in 1989 asking that some of the mandates be removed so that the States would have more flexibility. That is what we are trying to do. The President in his campaign was the one that was going to change welfare as we know it. These are the things that everyone will stand up and agree we need to change. And all we find is resistance and denial, that, "No, we can't do that. No. That is too fast. That is too much. That isn't the right way."

So we end up in something of a gridlock, a gridlock that I think we will overcome, a gridlock that we will overcome and still maintain the principles that are involved in making these things succeed.

Let me talk just a minute about what happens if we do not do something. If we do not do something about balancing the budget, the deficit will top \$460 billion by the year 2005. Now, that is a projection of the Congressional Budget Office. The deficit will be \$288 billion in the year 2000 and upward of \$462 billion in 2005 if we do not do something different than we have been doing.

The national debt now stands at about \$18,000 for each of us. It is a debt of \$18,000 per capita. The servicing on the interest of that debt—not the servicing on the debt, not the reduction of the principal—the interest cost each American \$800 in 1994. Today's newborn

child, who is born today, owes \$187,000 over his or her lifetime just to pay the interest on the national debt. That is what happens if we do not do something. If we do not do something, six programs will absorb 75 percent of the Federal budget: 22 percent for defense, 18 percent for net interest, 15 percent for Medicare, 11 percent for Medicaid, 6 percent for retirement programs; that is 75 percent of all Federal revenues will go in those areas unless we make some changes.

With respect to the Medicare tax, we pay now, what, 2.9 percent payroll tax? If we do not slow the program from 10.5 percent down to 6 percent a year in growth, it will require an 8 percent payroll tax instead of 2.9 percent by the year 2030. So we need to make some changes.

On the other side, what happens if we do? As a result of balancing the budget in 2002, a 2-percentage-point reduction in interest rates on a typical 10-year student loan for a 4-year private college would save American students 8,800 bucks. If we could get that 2-percent reduction in interest rates as is predicted, on a 30-year mortgage on an \$80,000 home, it would save the American home buyer \$107 each month, or \$38,000 over the life of the mortgage.

So not only do we have some very destructive kinds of things that will happen if we do not make some changes, there are some very, very positive things that will happen.

So, Mr. President, I hope that President Clinton will reconsider his position and join in a useful dialog in terms of coming to some agreement and seek to deliver on some of the promises he made in 1992. I invite the President to drop the rhetoric and come to the table in good faith.

Mr. President, I now yield to the Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

BENEFITS OF BALANCING THE FEDERAL BUDGET

Mr. GRAMS. Mr. President, my freshman colleagues and I have come to the floor again this morning to talk about our plan to balance the Federal budget and what that balanced budget will mean to this generation and, more importantly, or as importantly, to the generations to follow. But no statement that we make today could speak more eloquently than a letter I received from a young Minnesotan in Duluth, MN. He writes to me and urges me:

I urge you, Mr. Grams, to take a stand for eliminating this overwhelming national debt. It is a cancer that is growing and growing, and something needs to be done soon, if not for your generation's sake, for mine.

For the first time in a quarter of a century, Congress is standing up for the coming generations, and we are standing up to the big spenders who have long dominated the decisionmaking here on Capitol Hill. We have fi-

nally said, "Enough is enough—it is time to return to reality, it is time to stop the wasteful spending, and it is time to balance the Federal budget," and that is what we have done with our revolutionary budget plan that eliminates the deficit by the year 2002 without raising taxes and without drastically slashing Government spending.

Ask Minnesotans if they think the Federal Government ought to balance its budget, and most people would say, "Well, yes, of course," after all, Minnesota families have to balance their own budgets every month, altering their spending habits to keep pace with the paychecks coming in and the bills that are going out.

The corner grocer, the video store owner, and every other job provider has to do the same thing. It is the responsible thing to do, and at a time when the taxpayers are demanding accountability in Washington, a responsible Congress is expected to meet those same standards that we ourselves have to meet.

Besides the obvious benefits that come with prudent financial management, balancing the Federal budget offers tremendous economic benefits for all Americans—and my friend from Wyoming just went through a list—through lower unemployment, lower interest rates, and a higher standard of living.

The story of the credit-hungry power shopper really illustrates why.

With a new job and a pretty good salary to go along with it, he applies for and receives his first credit card. An incredible shopping spree follows, and then another and another, and it does not take long before he reached his credit limit. Now he has three choices: Stop spending so recklessly; ask for more credit; or go to your boss and ask for a raise.

The spending has become addictive and he is not about to stop. He already spent his last raise, so he phones the credit company and asks for additional credit. They are happy, of course, to oblige and he is off on another spending spree.

This pattern continues for several years until he has increased his credit line to the point now where his monthly payments are barely keeping up with the interest that he owes on his tremendous debt. He has spent every raise in advance without a second thought, yet refuses to stop spending. He knows what he is doing is wrong and, in the back of his mind, he understands that he cannot keep doing this forever, after all, sooner or later the credit card company is going to come after him for their money, and that is the very position that our Federal Government finds itself in.

For four decades, the Government has been that uncontrollable shopper, raising taxes, spending hundreds of billions of dollars more than it takes in and, in the process, it has dug this Nation into a \$5 trillion debt. Whenever it