

Several weeks ago, Mr. President, I stood on this floor discussing and debating the reconciliation bill which we were about to pass, that bill that combines a number of efforts to reach our goals for putting in place the process of responsible spending and balancing the budget, and I said:

The reconciliation bill we are debating not only makes sense, it makes history. For many of us, a balanced Federal budget is a distant memory. For decades it has been an empty political promise. All that remains is one final act of courage and vision.

I went on to say:

That courage will be tested in the Congress by some difficult choices, and that vision will be measured in the President as he becomes either a partner or a partisan. If either he or we are unequal to the task, the patience of the public will be exhausted, and we will have squandered a unique opportunity, and we will feed a dangerous disillusionment with American politics.

That moment is here. That time for courage is here. The courage has been met by the Republican budget plan. Republicans stand today and say: Mr. President, we have a plan. We have responded to the call—your call, our colleagues' call—to be responsible and balance this budget.

But the vision called for and necessary on the part of the President has not been met. There is no vision beyond November 1996. The vision is to reelect the President at whatever cost. The vision is to make sure that the President's campaign succeeds, regardless of what he has said in the past, regardless of his rhetoric.

Just a few short weeks ago, it appeared we were on a path to negotiating a sensible plan to balance this budget with the President's support. If you looked at what the President said and what he called for, it was very close to what the Republicans enacted. But then someone determined that the President needed to have his weak, vacillating character firmed up. And so the whole plan was thrown out the window.

Now we are in an exercise of what I think is the utmost in political cynicism: Of making sure that the President's political posture is the kind of posture that will be necessary to inch him up in the polls so that he can be reelected in November of 1996.

The courage of the Republicans in providing a plan which, yes, includes tough choices but, yes, responds to a desperate need, a need to get control of a government that for years and years and years has been simply out of control, that plan is before us, but that plan is before us without the vision of the executive branch and particularly of the President.

So while the Democrats continue their efforts to tear this bill apart piece by piece, we have to remember that the centerpiece of what we are attempting to do is to balance this budget. In the future, this will be recalled as our contribution to history. If we ignore this budget crisis, this country and future generations will pay dearly.

I think the argument for a balanced budget comes down to something simple. It is one of our highest moral traditions that parents sacrifice for the sake of their children, and it is the depth of selfishness to call on children to sacrifice for the sake of their parents.

If we continue on our current path, we will violate a trust between generations, and we will earn the contempt of the future. This is our moment. This is our time. It will take courage and it will take vision. Let us trust that both the Congress and the President will have an ample amount of each in order to accomplish what I think we all know needs to be accomplished.

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

Mrs. HUTCHISON addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

CONFUSION ABOUT WHY WE CANNOT ACT TOGETHER

Mrs. HUTCHISON. Mr. President, I appreciate having the opportunity to listen to the Senator from Indiana talk about what we are facing in the next 7 hours for this country. It is a very important time.

I was in my home State, as well as several other States, over the last weekend, and I talked to people. People are really confused. People see Congress and they see the President, and they are confused about why we cannot act together.

I think it is very important that we clarify to the greatest extent that we can some of these issues. Let us talk about the continuing resolution that has been passed by the House, will be finally passed again in the Senate today, we hope, that in another month, a few weeks maybe, until December 1, anyway, call on the President to sit down with us and work out a budget reconciliation bill that we would hopefully come to terms with by December 1, so that we can, in fact, take the first-year step of the 7-year march to a balanced budget. That is what the Senator from Indiana was talking about—whether we are going to take that first-year step of the balanced budget. We must have the spending levels that we are asking for in the continuing resolution in order to make the 7-year balanced budget.

If we do what the President wants, which is to continue spending at this year's levels, we will not meet the 7-year deadline.

This Congress has spoken. We have passed a budget resolution that sets the cap on spending that is allowed if we are going to balance the budget. We would love to sit down with the President and talk about priorities, but we cannot negotiate the cap. The cap has been passed. We have a budget resolution on the table.

Has the President yet submitted to this Congress a balanced budget? No.

The President has yet to submit to Congress a budget that actually balances. The best he could do was a budget that had \$200 billion in deficits. That was the very best. Never have we seen a balanced budget.

Congress has given the President a balanced budget. Perhaps the President does not like the priorities that we have. That is legitimate. Let us sit down and talk about what we spend within the cap. But what the President is saying in the continuing resolution, which he says he will veto, is that we must continue spending at last year's levels, which means to the American people and to Congress that the President is not going to let us have the balanced budget that we must have this year.

If we do not meet this year's test, we cannot do it in 7 years. The President first said he wanted 10 years, then 9, and then 8. At one point, he said he would go along with 7 years. But he never submitted a budget that would do it in 7 years—so Congress did. Now we are trying to pass a continuing resolution that will end on December 1, when we believe that two responsible branches of Government ought to be able to sit down and work out a budget reconciliation package for the American people that would meet the budget test.

There are two things the President says he does not like in the continuing resolution. The first is he does not like the lower spending levels that I have just talked about that are necessary for us to have the 7-year balanced budget.

The second thing he does not like is the monthly Medicare part B premiums, which will rise in January \$7 a month in order to meet exactly where we are now, and that is that the Federal Government will put in 69 percent, and the recipient will put in 31.5 percent. That is where we are. Anyone who was here when we passed Medicare—I was not—knows the Medicare part B premiums, which are the doctors' visits, were supposed to be shared 50-50 between the recipient and the Government. They are now at 69.5, Government, and 31.5, recipient. That is where we are now, and that is where the Congress is saying we must stay if we are going to keep Medicare from going bankrupt. We have to raise the premiums that go with the rise in costs to keep the level at 31.5 percent.

It would be irresponsible for the President not to sign a continuing resolution that allows us to put the paperwork in place to make that happen. The President's own Cabinet has said Medicare will start going into a deficit next year. The President's own Cabinet says that Medicare can only last with the trust fund that is built up until the year 2002. So we are trying to save the Medicare system by keeping the 31.5 percent level of the recipient in the part B premiums and to slow the rate of growth over the next 7 years from 10 percent increase per year, which is

what we are looking at now, to 6.4 percent per year.

Now, in the private sector, health care costs are rising at 4 to 5 percent. So it would seem that a 6.4 percent growth would be a responsible approach for Medicare growth. And that is what we are doing. We are not cutting Medicare spending; we are increasing Medicare spending at a rate of 6.4 percent per year.

The President is not being responsible when he says he will veto a continuing resolution because the Medicare part B premium is going to increase \$7 per month to keep it at the 31.5 percent, and because he does not want to have the lower level of spending so we can meet our budget resolution goal for this year, so that we can have the balanced budget. The President cannot have it both ways. The President cannot go out and say, "You cannot cut spending, you cannot balance the budget; I would like to see a balanced budget, but I am not going to give you one." He cannot keep having it both ways.

The people of this country are not stupid. The people of this country understand that we are looking at a \$5 trillion deficit, debt in this country—\$5 trillion. I would venture to say that no one ever thought we would reach the level of \$5 trillion. But we have.

The American people know that everyone is going to have to pitch in. Our lifestyles are not the same as they used to be. No one's is. In 1975, a family of four spent 33 percent of their annual income on the necessities of transportation, housing, and utilities. In 1995, that level is 46 percent. So people are not stupid. They know that even if they are making a little more money, they are not living at the same level they were. They know that. So they know that we are all going to pitch in, that we are all going to do our part to make sure that we do have a balanced budget in 7 years because our elderly want their grandchildren to have a Medicare system. Our elderly want their grandchildren to get jobs in the future. They want a sound economy. They want low interest rates. They want this country to be the country they had the opportunity to grow up in. That is what they want for their children.

Mr. President, that is what Congress is trying to give to the elderly and to the working middle-class taxpayers of our country.

Let us talk about the debt ceiling. The President has already vetoed the debt ceiling. This is what Congress tried to do. We were trying to extend the debt level and raise it to December 12, a temporary lifting of the debt ceiling, once again, so that we would be able to get the budget reconciliation in place, so that we would have the first year set out with the spending caps to go to the 7-year balanced budget. We believe it is a responsible approach to lift that debt ceiling.

We also provide that there will be no borrowing from trust funds. We provide that habeas corpus reform will take place. We provide for regulatory reform to get the onerous restrictions off of our small businesses in this country so they will be able to compete in the international marketplace so they will be able to create the new jobs that will get our economy going again.

We do ask for the commitment to the 7-year balanced budget so we will not have to talk about whether it is 10, or 9, or 8, or 7 in the future, but everyone will realize and acknowledge and commit to the 7-year balanced budget.

Now, Mr. President, our congressional leaders have said that we will negotiate on this debt limit raising. I think we should. I think the President can have his way on some of these issues. I think Congress would be willing to give.

Mr. President, it is very important that we not give on the bottom line, that we must have a temporary raising of the debt ceiling so that we can responsibly do the budget reconciliation. It would give us the final budget for this fiscal year so that we will not have to argue anymore about how much we are going to spend and so that the markets in this country will know that our commitment is good.

Once we prove to the marketplace, to our international allies and people who are buying our debt, once we show that we have the will to balance the budget, this economy is going to strengthen.

The Chairman of the Federal Reserve, Alan Greenspan, has said that very thing—that once the commitment is shown, our economy will strengthen. Interest rates will remain steady and low. We will not be looking at runaway inflation, and we will start creating jobs in this country once again—not just service-sector jobs but real jobs; jobs where we can compete in the international marketplace, and we will not have to have our businesses opening corporations and manufacturing operations overseas because they cannot afford to do business here.

Mr. President, that is what we are talking about. I hope for the American people and for all of us that we and our leaders can come to terms. We do not want a Government shutdown. The last thing we want is to default on our debt. There must be some meetings. There must be some give.

Mr. President, we are here to do our part.

The PRESIDING OFFICER (Mr. INHOFE). The Senator from Kentucky.

Mr. FORD. I thank the Chair. I will not be very long. I know my friend from Washington has a statement he would like to make.

PREMEDITATED TRAIN WRECK

Mr. FORD. Mr. President, I am intrigued by the statements that have been made on the Senate floor recently in the last few moments, as if this is a budget that has gone to the President.

This is no budget that has gone to the President. It is a continuing resolution that keeps Government running at a certain level, and a debt ceiling that will allow us to secure the funds to do that.

The point keeps being made that the President will not do this. Well, the President has not received a clean continuing resolution. There are add-ons. The President has not received a clean debt ceiling increase. There are add-ons.

Mr. President, just go back to April of this year. This is a premeditated—a premeditated—train wreck.

In April, the Republican leadership said this would happen. They wanted it to happen so they could talk about it. They want to put the President on the spot. I do not think any of us would sit in the Oval Office and allow Medicare to go up 25 percent.

That was an issue last week in several of the campaigns—I know it was in my State—Medicare.

We talk about statements by the commission on Medicare. Last year when they gave us a report, it was not quite as good as it was this year. This year they said Medicare would be solvent for an additional year. We have more employment, more money going into Medicare.

Somehow or another we are being blamed for inefficiency of the majority party. The inefficiency of the majority party is that they have not done their work on time. October 1 was the deadline for the appropriations bills to be on the President's desk. Here it is, November 13, 6 weeks later, and we only have two or three at the White House—6 weeks late. So the majority has been inefficient in getting the appropriations bills to the President.

This would eliminate the continuing resolution. All we need would be a debt ceiling so we would not have two bills on the President's desk.

All we are asking, Mr. President, is that we not tie other items to a continuing resolution, increasing Medicare by 25 percent. Increasing Medicare by 25 percent—we are talking about the average income in my State of those on Medicare about \$15,000. Add another \$150 a year on to that household?

I do not believe there is anyone here, if they were President, who would sign a continuing resolution that binds the President's hands, or a debt ceiling that binds the President's hands.

One thing you do not hear, you increase the debt ceiling, and after it reaches that, it is reduced. The debt ceiling is less at the time it expires than they are making it now. Why? So if we do good work, have good income, which we think we are going to, we have reduced the deficit 3 consecutive years—exactly what we said we would do in 1993.

If we get the appropriations bills out of the House and the Senate and to the President's desk, if we just give him a clean debt ceiling and a clean continuing resolution, we can sit down and work. There will be no problem.