

enough and we can simply put an end to it.

Another course is to bring back the earlier continuing resolution, move for its reconsideration, amend it, and then send it to the President. The President should be given the opportunity to sign a clean continuing resolution.

Let me tell you why I think it is important that the President of the United States make a statement agreeing with the 7-year balanced budget. Let me clarify, I do not believe I am alone on this side of the aisle. Each week, I have a group of constituents for breakfast, and I give them a small handout. It is not blown up and it is not fancy, but it is useful information and I would like to try to explain it here.

One pie chart represents 1969 Federal outlays, and the other represents 1995 Federal outlays. So there is a 26-year interval between the two charts.

In 1969, military outlays were 44.9 percent of all Federal outlays. Today, 26 years later, we see they are just 16.6 percent of all Federal outlays.

We see where discretionary spending in 1969 was 21 percent of all Federal outlays. Today, it has dropped to 17 percent.

Now I would like to turn to net interest on the debt, not gross interest, but net interest, which in 1969 represented 6.9 percent. Today, net interest is 14.5 percent of Federal outlays. So, in 26 years, net interest on the debt has doubled as a share of Federal outlays.

We also see the major problem. We see entitlements at 26.9 percent of all Federal outlays in 1969 now exceeding the military budget, to 51.8 percent. So that today, in 1995, in terms of Federal outlay dollars, 66 percent of those dollars comprise entitlements and net interest on the debt.

What has been predicted is that in the next 20 years, absent an effort to balance the budget, entitlements and net interest will absorb all of that, leaving a crushing burden of debt on those who follow us.

That is really the message of why a balanced budget is so important, and why a 7-year balanced budget, I believe can be reached.

In the reconciliation bill, once we get to it, we have to resolve conflicting priorities, and I think that is where there are differences on both sides of the aisle. But, I believe those differences can be met.

I listened to Senator CHAFEE, whom I greatly respect, speak yesterday afternoon on this floor on some of the changes that could be made in Medicare. I happen to agree with the Republican premium levels on Medicare. I also happen to strongly disagree with the Republicans on what they have done with quality care involving the poorest Medicare recipients and the abolition of the Medicaid Program that would allow the poorest seniors to be able to pay their Medicare premiums and copayments through Medicaid.

That is a point of difference. But I think reasonable people can sit down

at the table and solve these problems, particularly if the majority is willing to delay a tax decrease.

Many of us find egregious the fact—

The PRESIDING OFFICER. The Senator's time has expired.

Mrs. FEINSTEIN. Mr. President, I ask unanimous consent for an additional 30 seconds.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator has an additional 30 seconds.

Mrs. FEINSTEIN. Many of us find very egregious the fact that a \$245 billion tax decrease essentially drives deeper cuts in what I view as very vital, safety-net programs. So I would be hopeful that we could end the debate on the size and shape of the continuing resolution, pass a clean continuing resolution, send this resolution to the President, and I would urge him to sign it.

I would then urge the parties to reach across the aisle and begin to discuss how we can resolve the differences in the reconciliation bill.

I thank the President, and I yield the floor.

The PRESIDING OFFICER. Under the previous order, the time in morning business is reserved for the Democratic leader.

The Chair notes the absence over a quorum. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PRESSLER. 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. PRESSLER. Mr. President, I ask unanimous consent that, notwithstanding the previous order, I be permitted to speak for up to 7 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from South Dakota is recognized.

THE AMERICAN PEOPLE ARE WEARY

Mr. PRESSLER. Mr. President, we are engaged in an exercise of trying to balance the budget. That term has been on every Presidential candidate's lips since the 1970's. Indeed, in this Chamber, in my 21 years in Congress, we have had a number of speeches on proposals to balance the budget. We have had the Gramm-Rudman-Hollings legislation that was supposed to balance the budget. We had the Muskie rules back when Senator Muskie was here—he used to sit right over here, I remember—to balance the budget. Then we have had numerous votes on the debt ceiling. We have debt ceiling legislation that we are supposed to provide as a vehicle that would force a balanced budget. This has gone on and on and on, and the American people are weary.

Finally, today, we are faced with a situation where our Government is shutting down because we cannot reach an agreement on balancing the budget.

I feel that there might be a better mechanical way of going about this. I would rather force the Congress to have a vote every hour and stay here, or I would rather that the President be forced to come and meet with the congressional leaders every 4 hours, something like they do in some of the railway labor negotiations where negotiations are forced rather than shutting down the Government.

I have been trying to find some way of sponsoring legislation so we have an alternative vehicle to bring this type of impasse to a climax. I think it is a poor way to do business, that we are shutting down some of our services and that we are going through this exercise that will probably be costly in the long run, as a way of forcing the issue. But, nevertheless, we are here. This is where we are as of this hour.

So where do we go from here? I hope our leaders do not compromise at this point on anything less than something that will really balance the budget with real numbers. If we come up with phony numbers and a more lengthy period of time, it will severely hurt the long-term bond market, in my opinion. It will mean that long-term interest rates will go up substantially. It will mean that mortgage interest rates will go up substantially. It will mean eventually that student loan interest rates will go up substantially. It will mean that farmers' and ranchers' interest rates will go up substantially. And it will mean that our economy will be subject to inflationary pressures with high interest rates. That would be very damaging to the prosperity that we enjoy.

Let me say that I feel passionately that balancing the budget is a moral issue, and I am not one to come to this floor with a lot of moralistic speeches. But it is moralistic because it is right. It is the right thing to do to pay our debts. It is also moralistic because we are shoving a responsibility off to someone else, our children and grandchildren or future generations. We are not taking responsibility for what we are spending during our watch. That is a moral issue.

It is also a moral issue because we are going to be robbing future middle-class wage earners and working people of part of their paychecks without consulting them. We are going to be robbing senior citizens of a standard of living that they have come to expect and enjoy in the future, and we are going to be robbing people who are poor, who expect to get Government benefits or jobs or whatever from an economy that is abundant.

Therefore, I look upon this as a moral issue, as much as anything else. So I feel passionately that we must carry through at this time and do what we have to do.

During this past year, I have voted for the Dole-Domenici budget in this Chamber. By that, I mean the Republican budget or the budget put forth by

Senator DOMENICI and the Budget Committee of the Senate and Senator DOLE, our leader. On all the votes that have come along, there have been efforts to untangle that budget that have been apple-pie-and-motherhood votes to add this on or add that on.

I have voted with Senator DOMENICI to hold together that budget package because I feel it is the best budget we have had in my 21 years in Congress. It is the first time we have had a budget that has a vision to move us to a balanced budget by the year 2002. That does not say we are paying anything on the Federal debt. We are not. We still have that huge debt to deal with. It does not say anything that we are going to get into a balanced budget until 2002. We are still engaging in deficit spending until 2002.

What is the big fight about here in town? The President of the United States campaigned on a platform to balance the budget within 5 years. I remember Jimmy Carter's was he was going to balance the budget in 4 years during the time he was President. Ronald Reagan campaigned on a program to balance the budget. Every Member of this Senate has run for the Senate on a program to balance the budget.

The point is, it goes on and on and on, and there are excuses and there are phony numbers, there are CBO numbers, there are these numbers, that numbers. But the American people have said, enough is enough, get on with a plan. There are going to be some people in this segment of the economy angry, some people in that segment.

I think it just takes an across-the-board approach. I think the Domenici-Dole budget has some flaws in it. There are some things in it I disagree with but, generally speaking, it cuts the rate of increase. Some of these programs have been increasing at 12 percent a year. This reduces the rate of increase to between 5 and 7 percent.

With that rate of increase, we can absorb the increases and bring us to a balanced budget. So when we talk about cuts, for the most part, we are not talking about cuts at all. We are talking about increasing at a slower level, but still increasing probably at the rate of inflation. So at least let us get with it. At least let us do it. And I hope our leadership does not compromise away this work and these votes that we have cast this year. I hope we stick to our guns and stick to this plan that has been put forward, which I call the Domenici-Dole budget.

Mr. President, let me say something about middle-class working people. One way or another, they end up paying most of the taxes in this country. I think that is unfortunate. I am a member of the Finance Committee, and I have tried to change that. There are promises about a flat-rate tax in the future, and there are promises about a tax on consumption instead of income taxes in the future. But it will still end up that those families or those individuals who work hard, obey the law, they

end up pulling the wagon. They are the ones paying for this nonsense, and they are the ones out there who helped elect this new Congress. In frustration, they are saying, "Let us do something about this."

Mr. President, I think it is time for us to do something. I hope to continue to be a part of that. I ask our leadership not to make compromises that are unnecessary, that go beyond the framework of the Domenici-Dole budget, that would leave us, once again, going away from here with the American people being promised that there is going to be a balanced budget and there is not. I hope that the President and the Congress will heed the American people.

I thank the Chair for this opportunity to speak.

RECESS SUBJECT TO THE CALL OF THE CHAIR

Mr. PRESSLER. Mr. President, I understand that the Democratic leader no longer wishes to speak at this time. Therefore, I ask unanimous consent that the Senate now stand in recess subject to the call of the Chair.

There being no objection, the Senate, at 4:51 p.m., recessed subject to the call of the Chair; whereupon, the Senate reassembled at 5:19 p.m. when called to order by the Presiding Officer (Mr. MCCAIN).

The PRESIDING OFFICER. The majority leader is recognized.

ORDER OF PROCEDURE

Mr. DOLE. Mr. President, let me first state, since I have told my colleagues I would inform them when we had any information, the negotiation is still ongoing as far as the continuing resolution is concerned. I think we made a lot of progress this afternoon. That is how I would characterize the exchange.

We have exchanged options. We have now given an option to Senator DASCHLE, who I understand will be discussing it with Mr. Panetta, the President's Chief of Staff, and Mr. GEPHARDT, the Democratic leader in the House. Hopefully, we can, as I said earlier, resolve this this evening.

If so, I think the process would be we would pass a 1-day continuing resolution, send it to the House, which they could act on tonight. Then we would hopefully pass the other agreed resolution in the Senate tonight, and they would take that up in the House tomorrow. Those are tentative indications of what would happen.

But I wanted to speak about another very important matter.

PEACE TALKS IN DAYTON

Mr. DOLE. Mr. President, there are news reporters indicating that the administration is trying to wrap up peace talks in Dayton, OH, by tomorrow morning.

No doubt about it, the administration has put a great deal of effort into this diplomatic process. A significant number of our diplomats have been working around the clock to get an agreement. Their hard work should be recognized.

However, I hope that in their understandable haste, our negotiators will not lose sight of the objective—which is not just to secure a peace, but to secure a just and lasting peace.

Most Members of Congress would agree that for an agreement to have a reasonable prospect of achieving a stable peace, it must include the following provisions:

First, a clear demarcation of defensible borders for Bosnia and Herzegovina and resolution of all territorial issues among the parties;

Second, clear lines of demarcation between the military forces of the parties to the agreement and procedures for separating the forces;

Third, concurrence by all parties and witnesses to the agreement to multilateral lifting of the arms embargo on Bosnia and Herzegovina upon entry into force of the agreement;

Fourth, acceptance by all parties and witnesses to the agreement to United States involvement in an effort to equip, arm, and train Bosnian Federation Forces;

Fifth, establishment of clear standards for violations of the agreement and the unrestricted use of force by NATO to include air power as necessary to respond to violations of the agreement which threaten not only the peace, but the security of our forces;

Sixth, an end to military intervention by the Governments of Croatia and Serbia and Montenegro in Bosnia and Herzegovina;

Seventh, the dismantlement of the integrated air defense network linkages between Serbia and Bosnian-Serb held areas of Bosnia and Herzegovina;

Eighth, full NATO implementation of the deny flight operation; and

Ninth, measures to ensure that indicted war criminals are not in positions of authority, including any elected office.

Mr. President, it seems to me that these are the minimum elements of a viable peace agreement. Without these elements, it is unlikely that a genuine peace will hold. Without these elements, it is unlikely that Bosnia will survive.

We should not mistake securing any peace agreement in Dayton with securing a stable peace. No matter how difficult the negotiations are, if they fail to achieve an agreement that secures the integrity and independence of Bosnia they will have been a waste of time.

Also essential to a stable peace is restoring public confidence and trust in the Government, institutions, and leaders of Bosnia. Absent justice, there will be no trust and no peace will endure. For the long-suffering Bosnian people, to believe in the peace, they