

They talk in these books about the history of the Nation and how the Spanish declined in the 16th century and how the Dutch went to great heights and declined in the 17th century and how the British went to great heights and declined in the 19th century. And they really sort of asked the question: Do we feel as though we in this country are immune to the laws of nature and the laws of gravity? They were unable to roll back the strong trends that were in their countries, pushing them to greater deficits, greater debts, higher taxes, slowing economy, a declining manufacturing industry, all the things that we are beginning to see in this country. So the battle is not an easy one.

You know, as we talk among ourselves, and we hear it regardless of what the people want, people talk about majority rule and all. Look at any poll, answer your phone calls, read your mail. I do not think there is any question but the American people have decided: Enough is enough. We have to do things differently. We voted for a change. We have been wanting change for some time. Maybe we thought we were trying to get it 2 years ago in the last Presidential election.

A fellow from Texas that hardly anybody knew went from nowhere and just within a few short months he got into a position where, some people said, under a slightly different set of circumstances, he could have gotten the nomination and been President, from nowhere, because he was talking about changing the way we do business in this country.

All that is going on out there. And yet we need a two-thirds vote in this body.

And I understand there are even some people who voted for the balanced budget amendment last time who are now saying that they may vote against it this time. Last time, they were pretty sure it would not pass and maybe this time they are afraid that it might pass. So it is going to be difficult.

I, again, commend the Senator from Utah, who is leading this fight and articulates this case so well. I think it is the most important vote we will have in a long, long time as far as this U.S. Senate is concerned.

I only urge those within the sound of my voice to remain focused on what this is about. The patient—and maybe we are the patient—has been acting a little crazy over the last several years, and we have not been doing the right thing, and the thing we know that we are going to have to do to get better. It sure would be good to cure the patient. But we have been taking treatment and medicine for a long time, and it is not doing us any good.

Maybe the time has come that we are going to have to impose a straitjacket on ourselves. It is not perfect. But until we show some inclination, absent getting hit over the head with a 2 by 4, to do the obvious and right thing that we ultimately have to do to protect

this next generation, this is the way to go. We will worry about the details in terms of the implementing legislation, and we can have the debates that we have already started here today.

But I think it is vitally important that we get about the business of passing this amendment and make a statement that we are not so selfish that we are going to sit idly by and debate these issues forever, using the moneys and the assets and the resources in the very country that is the birthright of the next generation; but we are going to take a step forward, say no to the vested interests, say no to those who want to continue to consume not just what they are consuming now but more and more and more, and say to everyone that we are all going to have to make some incremental change.

Is there any more basic commitment that a human being has than the one that he has to his children? If we had our child standing next to us here, there is nothing that we would not do. And yet, we are so dispersed in our attention and we are so diverted in so many different ways, we have not been able to focus on what we are doing. This debate will focus on what we are doing.

I commend the Senator from Utah and other colleagues in this great fight.

Thank you very much.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Madam President, I ask unanimous consent that the distinguished Senator from New York be given the floor after I make very brief remarks about the great remarks of my colleague from Tennessee.

The PRESIDING OFFICER. The Chair wishes to make two announcements and then will recognize the Senator from New York, following the remarks of the Senator from Utah.

Mr. HATCH. Madam President, I want to compliment the distinguished Senator from Tennessee for his very, very welcome and important remarks on this issue.

I think this new group of Senators is as good a group as I have ever seen come into the U.S. Senate. We feel particularly privileged to have four of them on the Judiciary Committee, not the least of whom is the distinguished Senator from Tennessee.

In his own down-home Tennessean sort of way, he has laid out why we have to pass this balanced budget amendment. I personally just want to express my appreciation and my high regard for him. I believe that the distinguished Senator from Tennessee is going to make a whale of a difference here in the Senate, and already is making a whale of a difference on the Judiciary Committee, as I am sure he is on other committees. So I personally thank him for his kind remarks.

If people have been noticing, these new Senators have been coming here and speaking on this amendment be-

cause they got the message. They know that is one of the reasons they are here. I personally appreciate their efforts in this matter.

I yield the floor to my colleague.

APPOINTMENTS BY THE CHAIRMAN OF THE FINANCE COMMITTEE

The PRESIDING OFFICER. The Chair announces on behalf of the chairman of the Finance Committee, pursuant to section 8002 of title 26, United States Code, a substitution in the membership of the Joint Committee on Taxation. The Senator from Kansas [Mr. DOLE] has resigned from the joint committee and will be replaced by the Senator from Utah [Mr. HATCH] for the duration of the 104th Congress only. Therefore, the membership of the Joint Committee on Taxation for the 104th Congress is as follows: the Senator from Oregon [Mr. PACKWOOD]; the Senator from Utah [Mr. HATCH]; the Senator from Delaware [Mr. ROTH]; the Senator from New York [Mr. MOYNIHAN]; and the Senator from Montana [Mr. BAUCUS].

APPOINTMENT BY THE VICE PRESIDENT

The PRESIDING OFFICER. The Chair, on behalf of the Vice President, pursuant to section 1024, title 15, United States Code, announces the following majority appointments to the Joint Economic Committee: the Senator from Florida [Mr. MACK], chairman; the Senator from Delaware [Mr. ROTH]; the Senator from Idaho [Mr. CRAIG]; the Senator from Utah [Mr. BENNETT]; the Senator from Pennsylvania [Mr. SANTORUM]; and the Senator from Minnesota [Mr. GRAMS].

BALANCED BUDGET AMENDMENT TO THE CONSTITUTION

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER. The Chair recognizes the Senator from New York.

Mr. D'AMATO. Thank you, Madam President.

Madam President, I wish to associate myself with the remarks of our new colleague, the distinguished Senator from Tennessee. I think he has spelled out very cogently why the American people voted for change. They are tired of Big Brother Government saying, "We know what's best for you. We're going to give it to you, whether you like it or not. We have programs that are good for you, whether you can pay for them or not."

The people want a balanced budget amendment, and they are right. This is no time to start playing politics as usual. This is an important issue.

I will tell you how important it is. If we continue to do business as we have in the past, we will become just like our neighbor to the south.

Who will we go to for the bailouts? Who? What are we talking about? We are not talking about cutting spending. Oh, no, we are talking about decreasing the rate of spending. We are still going to spend trillions—something like \$13 trillion in the next 7 years. We are talking about maybe cutting that down to \$12 trillion. If we can do that, we have a balanced budget.

What do we have here? The opposition, the Democrats, are simply and purely stalling. They are looking for a way for escape clauses. Let me tell Members, there are many of our colleagues who voted on the other side for the balanced budget amendment. What are they doing now? Why, they are scampering for the hills. The Senator from Tennessee was absolutely right. They voted for the balanced budget amendment to protect their political hide in years gone by so they could go back and say to their people, "Oh, I voted for the balanced budget amendment." They knew we could not get two-thirds.

And here we are. Here we are, poised to do something that the American people overwhelmingly want. And what are they doing? Ducking, shimmying, telling us, "How can you get there? Spell it out over the next 7 years." They cannot tell us what they are going to do next month, let alone 7 years down the line.

What are the interest rates going to be 7 years down the line? Keep spending this way, it will be 20-plus percent, we will not have any economy. The Senator is right. Know what Social Security will be worth? Know what inflation will take place? Incredible. What are we going to do then? It is about time we did the business of the people. Stop the pussyfooting.

The American people know what they want. Those Members who were sent here to do the business of the people should keep our feet to the fire. I know it will be tough. But doing the right thing sometimes does require some courage. The fact is that we should stick with the principles that the American people are demanding. They want Members to balance the budget. They want Members to cut spending, cut taxes. It is right for America. We can do it.

I have to tell Senators I am not going to look the other way. I will be very candid. If our colleagues begin this business of attempting to find these escape clauses, we will call it to the attention of the American people. We have an obligation to keep their feet to the fire, to do the business of the people.

Mr. President, in that connection, I have to say I think that the President of the United States looked for a way to get around the voice of the people. The voice of the people is the Congress. And in proposing his new agreement to help our neighbors to the south, he circumvented the Congress. Now, I hope that that plan works. But I have grave, grave doubts. I have grave doubts that

we will have the ability to see to it that those loan guarantees are not just withered away, and that we do not see the American taxpayers picking up \$20 billion-plus.

I can name places I see loan guarantees and we know they will get paid back, and they do help. Maybe Orange County. I remember loan guarantees for New York. Much more difficult terms than those we have made available to our brethren in the south—Mexico. Guarantees. That means we are paid out over a period of 4 years. Not within an 18-month period of time.

I did not know if the IMF and the World Bank will do the kind of job or whether they are in a position to see that Mexico makes the kind of reforms necessary, or whether they will just continue to print paper.

I wonder, is it the business of this country to see to it that those who invested were getting 20- and 30-percent returns in Mexico, that we will hold them harmless and they will get every single dollar and get back 20 percent? Is that the business of this country? If you make an investment and there is a high risk and you get 20-percent return, people say you are a genius. But if it goes sour and you go down, do we really expect Uncle Sam, the American taxpayers, Uncle Sam to bail you out and say, "We hold you harmless."

What kind of economic stabilization program is that? I wonder why it is that we did not say to the Mexican Government, as those noteholders come due, "We will help you in renegotiating the payments and the terms." Why should people get dollar for dollar, plus 20 percent? I did not know you did that in restructuring. Certainly that is not what the capital system is about.

I have to tell Members, I think that all the doom and gloom predictions and the fact that there would be huge immigration, masses coming across the border, well, that is our Government's responsibility to see that we stop that kind of thing.

You do not threaten the American people every time there is a crisis and say, "My gosh, unless we do this, put up \$20 billion, \$40 billion we will have a massive migration to this country." Is that what we are coming to? Just raise that specter of fear? And we all succumb?

I hope this plan works. I have grave doubts. I predict if we look at the history, we saw economic devaluations every time there was an election. I would suggest this administration knew of this crisis, and knew of it quite some time ago. Maybe back last November. And they hid it from the American people. They did not step in and insist that conditions be met at that point in time. Now they come and say the sky is falling in. Well, that is OK but I do not think it is right that the American taxpayer has to step in.

Mr. President, I will tell you as the Senator charged with the responsibility of seeing to it that we are not wasteful, as it relates to taxpayer dol-

lars, and being on the Banking Committee we will hold hearings and carefully monitor the execution of this agreement or the implementation, to see to it that we do the best we can to see that there are real economic reforms, and we are not taking hard-working taxpayers' money and just shoveling it down there. Then in 3 or 4 years from now throw up our hands and say, "Oh my gosh, we did the best we could do. Maybe to protect our investment we have to invest another \$20, \$30, or \$40 million."

Look at the record and that is what it demonstrates. In 1982 the banks were holding most of the paper and took a pretty terrific loss. It seems to me that 12 years later, the only difference is, the American people may be poised that they can get a bigger hit. That is unfortunate. Thank you.

Mr. HATCH. Mr. President, I thank the distinguished Senator from New York. I appreciate his remarks, especially those on the balanced budget amendment. He certainly makes a difference in this body, and will make a difference once we pass that amendment.

Mr. President, let me assure the American people that the balanced budget amendment is neither snake oil nor a tonic. It is a necessary first step to a healthier economic lifestyle. It is as sensible as anyone who has been a binge deciding, finally, to go on a diet. This amendment puts a bloated, overgrown Federal Government, and out of control Federal bureaucrats, on a diet. Now, as our colleague from Idaho, who is certainly helping me on this amendment and is one of the leaders on this amendment, Senator CRAIG has said, if someone decides to go on diet to lose 100 pounds over 2 years, we do not ask that person to name every meal he or she intends to eat over those 2 years. To ask for a budget over the next 7 years is equally a diversion.

Indeed, just imagine if some of our colleagues had been sitting in the Constitutional Convention of 1787, in Philadelphia. Just imagine when the following clause in article I, section 9 came before the Convention: "No money shall be drawn from the treasury, but in Consequence of Appropriations made by law * * *." Oh no, these colleagues would have said, tell us how much the appropriations will be over the next 7 years or we cannot adopt this provision and this Constitution. What about the clause in article I, section 8, giving Congress the power to regulate foreign and interstate commerce? Oh no, some of our colleagues would have said in Philadelphia in 1787, if they felt the same as some of our colleagues here, we cannot give Congress the power to regulate commerce until we know the foreign tariffs and interstate regulations Congress will enact over the next 7 years. If the spirit of these colleagues of ours had prevailed then, perhaps goods from New Jersey would still be taxed by New York.

This is the Constitution we are addressing here, not a budget document.

What is important here is this: What is going to happen to our country if we do not enact this balanced budget amendment?

These monster deficits force the Federal Government to engage in massive borrowing. Interest rates are kept high and are driven higher. Home buyers face higher mortgage rates, making it more difficult for hardworking Americans to get their piece of the American dream. Home builders cannot build homes, workers do not have jobs, revenues are not paid to the Federal Government. The greater the difficulty in buying a home, the greater the problems in the home building industry. Employment will drop in that industry and in related businesses from realtors to title searchers.

The cost of buying consumer goods goes up as a result of these monster deficits and the Government borrowing it compels. Let us just take the automobile industry as another example. As the cost of credit goes up, automobile sales naturally are adversely affected. Also, workers get laid off. Auto sales and service workers at your local auto dealer get laid off. The industries which supply the automobile manufacturers all have to lay off people. Every consumer industry is adversely affected when the cost of credit goes up.

What about the impact of monster deficits on small business? Listen to a part of a statement submitted to the Judiciary Committee by the National Federation of Independent Business, which strongly supports this amendment, I might add:

As deficits increase, the cost of capital increases. Large deficits absorb a significant portion of the available capital. As a result, private enterprises are crowded out of the pool of available credit for financing. Unfortunately, this crowding out is not borne evenly across businesses of all sizes. It is more probable that small businesses bear the brunt of this financial displacement since they have fewer financing alternatives available to them relative to larger firms. When small businesses cannot obtain capital to improve facilities, purchase equipment, and expand their operations, fewer jobs are created and less revenue is sent to the Treasury.

What a statement by the National Federation of Independent Businesses.

Opponents of this amendment ask us about tax increases. If we do not pass this amendment and put the Federal Government on a fiscal diet, taxes are clearly going to go up to pay the ever-increasing interest on the ever-growing national debt. I do not know any American who really wants that to happen, to just throw more money down the drain on the national debt's interest. Golly, when are we going to get it under control?

Here is what the National Taxpayers Union says:

A child born today faces a huge bill by the time he or she is old enough to vote at age 18. Paying interest on the national debt accumulated just in this child's first 18 years of life will cost that child's family over \$103,000 in extra taxes on average over his or her lifetime.

This assumes an annual deficit of \$285 billion for this child's first 18 years and the National Taxpayers Union notes that the Congressional Budget Office projects that the deficit will average \$285 billion over the next 11 years. So our children and our grandchildren will pay and pay and pay unless we pass this amendment.

The American people want change. The amendment is part of that change. We cannot keep going the same old way around here. The old order, it seems to me, has to give on this issue. And if we do not get the votes on this issue, then we have to rise up and get rid of the old order. It is just that simple. Not because we dislike them or not because they are not nice people or not because we do not like our own Senators when they are at home; we have to get rid of them, we have to get people here who mean business on this.

If we do not pass this balanced budget amendment this time, we may never have a chance to do it again. It may be too late. But if we do pass it, then everybody here knows the game is over, they know the States are going to ratify this amendment, and they know that we are going to have to get to work over the next 7 years to get that trend line down to a balanced budget. It is that simple.

The distinguished Senator from West Virginia has told us how much a balanced budget will hurt the States and the American people and public. I do not think any of us here have claimed it will be easy to balance the budget or that there will be no pain involved. We are not painting nirvana here. We are saying there is going to be pain, but pain with gain ultimately.

For the first time in 19 years—really, the first time in recent history—Congress will be forced to make priority choices among competing programs, and they will have to choose those that are the most important programs, those that do the most good, and maybe let those that are marginal and some that are not as good go, just as you do when you do your budget, just as the States do when they do theirs. We all know it is going to be difficult to cut back on spending. As the Federal Government goes on a diet, the States and our American citizens are smart enough to know that they are going to have to tighten their belts, as well. It is about time. It is about time that we all just come to that conclusion because that is where we are, and there is no other way around it.

This diet involves more than just cutting our spending practices. It means a lifestyle change from the spending binges of the past. It means changing the old order. It means changing the old ways. It means moving into the 21st century with new ways. These new Senators are making a difference. I notice one of them sits in the chair right now, from Pennsylvania. He got elected in part because he was willing to stand up on this issue, and he is going to get reelected

again because he is voting for it. Those who do not are going to be the ones who have the troubles.

We must all evaluate our current programs and spending levels to determine their effectiveness. This includes our State programs, as well. If we did not launder all the money through the Federal Government, there would be a lot more money for the States, only it would not be laundered and there would not be just 28 percent come to the States out of the laundering. They would have 100 percent, and they would not have to increase taxes to get there.

The numbers given to us by my colleague from West Virginia regarding the grants given to States assume that each and every program will be continued in its current form. I doubt that this is going to be true. I do not see how anybody cannot doubt that is going to be true. We are not going to keep all these same programs in their current form. We are going to have to change some of them. We are going to have to delete some of them. They are going to be the lesser programs, the ones that do not count as much as others. Some States may be happy to end some of these programs we force on them. But each of the States will respond in its own way to meet the priorities of its own citizens.

As the ability of Congress to overspend disappears, we will be forced to evaluate where the money is going. This means that we should put the money into the most effective programs and stop funding the wasteful programs that just are not working.

We will have to examine our priorities and adjust our spending accordingly. We have seen many proposals to balance the budget without cutting Social Security, Medicare, or other vital programs. While I do not know of one that is the ultimate solution, they do show us that with a lot of cooperation and work, we can find a roadmap to balance the budget.

One example, for instance, would hold the growth of Federal Government spending, currently at 5.4 percent per year and going up, to 3.1 percent a year. This would balance the budget by the year 2002. If we exclude Social Security and constrain the spending growth to just 2 percent, the budget would still be balanced—and that is excluding Social Security.

This is without eliminating a single program. There are ways of doing it. We just do not have the will to do it nor the need to do it because we do not have the constitutional requirement or mandate to do it. If we put this in the Constitution, I do not know of a Senator in this body who would not change his or her legislating style, who would not change his or her attitude about spending, who would not try to live up to the mandate of the Constitution. We swear to do so, and I believe everyone here will.

I realize that it is not as simple as I just explained with regard to the 2-percent increase in the budget each of the next 7 years—we can reach a balanced budget without really cutting the programs—but we will have to examine the spending patterns of the Federal Government. We will have to eliminate some well-intentioned programs that are not working or not working well, and reform other programs that are not working as well as they could.

The important point, however, is that we can get there, but we will not get there unless we put this mechanism into the Constitution.

It is not painless, and we will all feel the pinch with the reduced spending that will be necessary to balance the budget. But if we do not balance the budget, it will cause each and every American taxpayer even more pain. If we continue to increase the debt, inflation will skyrocket and the dollars used by every American citizen will be worth less, especially when we will be forced to monetize the debt. This will hurt even more than tightening our belts and making the spending cuts necessary to balance the budget. If we do balance the budget now, we will all share the benefit. It will not be too much for any single individual. We will all have to share.

More importantly, however, we will all feel the benefits of lower inflation, a more valuable dollar, and the security of knowing that except in times of war or other hostilities, or in times of severe depression, we will maintain a balanced budget, which is what the Founding Fathers really wanted, and what they really assumed would be the rule under the Constitution.

This amendment will help us to do a better job. This will do away with this old attitude that if we just tax and spend, we can get elected. The system will change to where we can get elected if we live within our means, conserve the Federal Government's money, the people's money, if you will, work with the States, and quit intruding into everybody's life every day as the Federal bureaucracy does now.

This country is in trouble. We are fighting with all we have to try to solve the problems of this country, and this particular amendment can do it. In all honesty, our spending in this country is at runaway proportions. We are destroying our country. We are destroying the future of our young people. For the first time in history—I repeat it one more time—our kids do not have the promise of a better future than we had. And I really, really resent that.

This is the greatest country in the world. I suppose we could survive anything because of the resilience of the American people. But we could survive better if we do what is right. This country, if it is righteous and it does what is right and it lives within its means and if Congress has the incentive to live within its means, will always be the greatest country in the

world. But if we do not do right and we keep spending like we are spending and we keep interest against the national debt rising like it is rising, compounding every year, this country will slip; it will fall; this whole hemisphere will be affected; the whole world will be affected; and our dollar will fall in value to the point where those who are on fixed incomes, including our seniors on Social Security, will be the most hurt.

This is important to our country's future. This is the single most important vote that we will be casting when we vote up or down on this amendment. I am quoting Senator KENNEDY and Senator BIDEN when I say that. But I agree with them. This is the most important vote most of us will ever make. In order to get there we have to vote down all the killer amendments that will make it more difficult to pass it again in the House—and that is the purpose of them—and will make it more difficult to pass it here. We are going to have to stand up and vote.

Now, I believe that we will have 67 Senators who believe enough in this country to vote for a balanced budget amendment. The only chance we have is this bipartisan consensus, Democrat-Republican amendment, and acknowledge that it was no small achievement for the House of Representatives to pass this through for the first time in history. We have done it before in the Senate, but we have also failed before. This time we do not intend to fail. If we win, it is going to be because the American people got involved. So I hope everybody out there listening to this really inundates this Senate with the demand that we pass the balanced budget amendment.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. GORTON. 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. GORTON. Mr. President, the Senate appears to be drawing fairly close to the end of a week in which Members have spoken in relatively general terms about the desirability or lack of desirability of a constitutional amendment to nudge this Nation along the road toward a balanced budget. Soon we will be dealing with specific amendments to this proposed constitutional amendment and I wish to speak for just a moment both in general terms and in specific terms.

In general terms, we face the proposition that divides this body, I believe at this point, simply into two camps. Earlier this week, I had thought there were three different and distinct attitudes, but I have heard only two. There are those who, like myself, believe that the country is in a serious crisis, that the status quo is unsatisfactory, and

that the situation, the set of rules under which we have operated—not just for years but for generations—will not and cannot serve to lead this country along the road to fiscal sanity and a balanced budget and that, therefore, drastic action in the form of a constitutional amendment is necessary. I believe that expresses the views of a significant majority of the Members of this body—I hope of two-thirds of the Members of this body.

Those who oppose this constitutional amendment, however, have either brought up rather narrow technical objections to it or have stated almost without exception their devotion to the idea of a balanced budget but their views that to change the Constitution in order to encourage it is a bad idea. I believe they are wrong. I believe those who feel that we should have a balanced budget but that we can reach that goal without a profound change in the system under which both the Congress and the President of the United States operate have a tremendously difficult burden of proof. Because, of course, the rules that they want to continue in effect have been the rules during the entire time in which this multitrillion-dollar debt has been built up.

How is it that they feel that suddenly, without any change in the system under which we operate, we will nevertheless reach a goal which has eluded us for such an extended period of time? That, it seems to me, should be the central focus of this debate by the one group which stands for the status quo, mostly on the liberal side of the spectrum, which nevertheless gives lip service to a balanced budget, but which has given us not the slightest hint as to the road to be traveled in order to reach that end.

If I understand it correctly, beginning tomorrow or certainly sometime during the course of the next week, we will be faced, by adding to the Constitution of the United States detailed provisions pursuant to which those who feel the change in the Constitution is necessary will be required to outline, in absolute, binding detail in the laws of the United States, precisely the road by which we will reach that goal by the year 2002, ignoring the fact that there will be three new elections for Congress between now and that year in which different Members will be elected, during which time crises in our international affairs may or may not arise, crises in our own domestic and economic affairs may or may not arise, with new Members with new knowledge who may wish an entirely different course of action than any we could possibly outline here.

Nevertheless, those who believe in the status quo will be asking us to bind ourselves to a precise, legally binding, detailed blueprint of the way in which this goal will be reached.

Mr. President, it is my position that it is they, not we, who should provide us with that detailed blueprint.

We believe that dramatic change is necessary. We look at the history of the last decade or decades, and say the system is broke. We wish to fix it. The way in which we wish to fix it is to strongly, in the Constitution of the United States, encourage a balanced budget by requiring a significant supermajority which can unbalance one, which is still to be possible under emergency circumstances when a bipartisan majority feels that it would be necessary. We do not have, and we should not have, a detailed blueprint about how to reach that goal because, if this proposal becomes a part of the Constitution, all will be a part of the solution, those who favor it and those who oppose it, including the President and future Presidents of the United States. The entire challenge will seem quite different to us and to the Nation at that point. And we will learn. I think we will learn that it may be a little bit easier than we had thought because the commitment to do so in and of itself will, I think, lower interest rates, for example, here in the United States.

It will be my position, and I think the position of many others here, that the group of Members of this body and the people in this country who believe the status quo is good enough, who do not want change, who do not believe change is necessary, but who nevertheless, as they have almost without exception, given lip service to a balanced budget, it is they who are under the duty of telling us exactly how they will reach that goal without a change in the Constitution, without a change in the rules in which we operate in this Senate.

Mark my words, Mr. President. Next week, as we begin to cast votes on these various amendments to the amendment, one fact should remain before all of the American people. We are either for or against this change. We are either for or against a new way of doing business. We are either for or against the status quo. And those who try to hide or obfuscate that issue through changes, through technical objections, through demands for detailed blueprints, essentially are saying the status quo is just fine.

Those who hold to the goal of this proposed constitutional amendment in this form, the form in which it passed the House of Representatives, are truly those who are devoted to a new and different way of doing business, a way of doing business in which we no longer spend whatever we like and pass the bill on to our children and grandchildren.

That is the issue we began to debate this week. It will be the issue in every vote we take until finally, as I hope we will, we pass this joint resolution and send it to the people of the 50 States for their ratification.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROCKEFELLER. 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. ROCKEFELLER. Mr. President, I thank the Presiding Officer for his courtesy.

Mr. President, as I struggle to get over my disbelief that we are back at this, I rise once again to express my views of a constitutional balanced budget amendment.

The basic reasons I oppose this amendment are the same ones that led me to vote against it on the two previous occasions—since I joined the Senate—that it has been before this body.

Congress does not need the U.S. Constitution to perform its responsibility for the Federal budget. We were elected to make the decisions about where to spend the hard-earned tax dollars of Americans, and where not to spend those dollars. We were elected to make the decisions required to adapt to the country's needs and to keep us militarily and economically strong. We do not need to add another page to the Constitution to do our job.

And some of us have worked very hard in the recent years to, in fact, do the job of digging out from the exploding deficits of the 1980's, reducing the deficit, and changing the priorities of the Federal budget in order to cut waste and increase investment in America's future. I have cast many votes in the recent years for actual cuts, for detailed changes in policy, and for specific budget plans—all the time, watching many colleagues vote the other way because somehow those specific ideas just weren't quite palatable or perfect enough for him.

It is no accident that the Federal deficit will drop this year for the third year in a row, for the first time in 50 years. The deficit finally started to shrink because instead of waiting to get the Constitution to tell us to cut spending and require some fiscal discipline, we did it ourselves.

I want to see the Federal budget balanced, too. But I refuse to strap the Federal budget into a speeding train, having no idea who and what in my State of West Virginia that train will crush. I got elected to help steer that train, to help set its speed, and to adjust its route—so we can change course when we need to deal with less than minor matters like recessions, natural disasters, military crises, and other dire needs or situations.

As a former Governor of West Virginia, I am shocked every time I hear proponents of the constitutional amendment say "this is just doing what States have to do." That is completely and utterly wrong, and it is insulting and misleading to the American people. Every Governor and every State government has tools, outside of its operating budgets, to borrow and to invest. Through bonds and other meth-

ods, States can build and repair roads, improve schools, and lay the ground for the needs of their people. Under this constitutional amendment for a Federal balanced budget, that would not be possible. This proposal is nothing less than a straitjacket that just might suffocate the prosperity and economic growth that determines whether there are jobs and opportunity for Americans.

This is where economics is not just about textbooks or abstract theories. To eliminate the Government's ability to stimulate the economy or to intercede in a crisis is to create a recipe for disaster. Whether economic growth were strong or weak would be ignored in the name of a balanced budget. Recessions would be more frequent, longer, and tougher to pull out of. Large spending cuts or tax hikes would be required in times of slow growth, just when the opposite is called for because cutting Government spending or raising taxes slows the economy even more. Passing a balanced budget amendment would exaggerate rather than mitigate America's shifting economic fortunes.

This year, I feel even more strongly that the constitutional balanced budget amendment is a bad idea whose time has not come. That is because there is another script that many of this amendment's proponents are working from this year. It is called a plan to generate tax cuts that are expected to cost between \$400 and \$700 billion over the same 7 years that this amendment would require a balanced budget. These are tax cuts that go far beyond relief for hard-working Americans and the middle class. You will find it in something called the contract for America, and it is a script that wants to stage the revival of tax cuts for the wealthy and corporations—this time with the hope it will not pull the rug out from the rest of Americans like it did before.

Well, Broadway should stick to bringing back old scripts, not Capitol Hill. In representing West Virginia, I don't want to see any revivals of past nightmares.

When I was Governor, and watched Congress promise to balance the budget while cutting taxes, I saw what happened in living color. Our plants that shut down and threw working families of West Virginia into foreclosures and bankruptcies. Our kids who dropped out of college because tuition money had to go to their families' mortgage payments and medical expenses. Our senior citizens who kept thermostats at 58 degrees because they could not afford heating oil.

So when I say I want to see the hidden details of this balanced budget amendment, it is not for political reasons or academic curiosity. It is because of the contract I have with West Virginia. It is because now I am here, not in the State House, to cast my vote and say show us just how you are going to get this done.

For those who want to put the Federal budget on this speeding train, where's your map? Who gets thrown off the train, and who gets to stay on? Will it be the programs and services that feed children, care for veterans, pay our rural hospitals, and keep our water clean and safe? Will the highways now being finished in my State—while other States got theirs paid for before us—end up being roads to nowhere because the money will run out? Will our seniors find out that Medicare cannot keep its promise just when they need health care?

West Virginia has the right-to-know what the script will be this time. If it is to be a reprise of the 1980s, we are not buying tickets. We saw the unemployment rates or some of our counties soar over 50 percent. We lost \$1.7 billion in aid—the largest per-capita in the Nation—almost \$1,000 per person. We watched our plants close, we watched our hospitals shut services, we watched our schools work with fewer resources, and we were forced into a recession that the State is only now starting to pull out of. So West Virginia will not be trampled again.

I understand the lure, the appeal, the aroma of a constitutional amendment to balance the budget. Write into the most sacred document of this Nation, one of the most venerable documents in the world, that we, the Congress, will require that expenditures made by the Federal Government do not exceed its revenues.

But this is the classic case of putting the cart before the horse. In the real world, this promise means coming up with a total of \$1 trillion in actual budget cuts over 7 years—years that are going to fly by very quickly. If those tax cuts for a lot of non-middle-class Americans get thrown onto the equation, we are talking about \$1.4 trillion in spending cuts. Then, if Social Security is excluded, defense is given special protection, and there are few other untouchables, what exactly does \$1.4 trillion in budget cuts mean to the people of West Virginia—and to the people of the other States?

Just when West Virginia is getting up from the beating we took over a decade ago, we face this. Just as our industries and workers are standing up to the challenges of the new economy, determined to make it, we face this.

This amendment, with those added tax cuts, threatens to pull \$2.7 billion away from West Virginia. That means much less for education, job training, housing, health care, student loans, veterans services, you name it. That means less to feed schoolchildren, support our police, invest in our university research.

Even some proponents of the balanced budget amendment are realizing that, this time—as a new car called \$400-billion-plus of tax cuts is hitched onto the speeding train—this time, we all better know what the route consists of.

For example, it is not possible to achieve \$1.4 trillion in cuts without

squeezing unprecedented amounts of money out of Medicare, Medicaid, and veterans health care and benefits. It is just not possible. The Senate Budget Committee staff have even acknowledged that \$644 billion will have to come somehow from the so-called entitlement programs—except for Social Security—over the next 7 years to hurl the budget into balance. Maybe the nightmares will not happen. Maybe seniors will not find benefits cut off. Maybe the veterans hospitals can stay open. Maybe we will not just give up on immunizing poor children. But maybe not. We could be sending people over cliffs with this train.

Again, that's why I add my voice to the right-to-know idea. The proponents of this amendment have an obligation to think through what course they will take. Will it be a collision course for our economy, finally growing again, facing intense competition from other nations while working families can't seem to get their incomes up? Or maybe there's a map I haven't seen yet—one that accelerates the deficit reduction that I also want, but keeps the country and my State on an even course.

Mr. President, the tools for deficit reduction are already in hand. Cutting wasteful and frivolous spending, creating a climate for productivity with accessible credit and sound trade policies, and keeping workers on the job. That's just common-sense deficit reduction.

I will not change that stand until those who support this amendment can detail all the spending cuts and tax increases necessary to reach the promised land. Show my people the plan. Show Americans the specifics, so we can also debate how they will affect our economy. Show this Nation's hard-pressed families how they will send their kids to college when student loans disappear. Show American industry and workers how we will keep up with our competitors when we just give up on research that plants the seeds for the next wave of technology. Show Governors, State legislators, mayors how the greatest unfunded mandate of all time—this balanced budget amendment—will help them pick up the pieces. What happens when States and communities do not get the funds to fight crime, train teachers, promote their exports, or repair their bridges?

We watched some of this show already, and it was a huge flop. In the 1980's, we watched arbitrage kings and junk-bond peddlers make fortunes while factories padlocked their gates and cast workers into the cold. We saw a nation divided into winners and losers as budget efforts took from those who could give least and asked little, if anything, from those who had the most. The middle-class worked harder just to keep up, the poor got poorer with less chance to get ahead, and the rich rode first class as they profited.

In the recent years, and I do not just mean the past 2 years under a Demo-

cratic President, I thought Congress was figuring out that it was time to take a different approach. No more games, no more empty promises. If we deserve to be here, we have to make real choices and honest decisions. When enough of us started doing that, then and only then did the Federal deficit start to shrink. The job is far from done, and it is not getting any easier. But by working out a balance between what must be done to invest in our people and use their hard-earned tax dollars more wisely, we have a course that I see as far less reckless and dangerous than strapping this amendment onto the U.S. Constitution.

The balanced budget amendment is a quick-fix for a problem that has grown because of quick-fixes. West Virginia does not deserve any repeats of a cruel and unfair past. So spell it all out for us—every spending cut and every tax—and show us where the money to balance the budget this quickly, with constraints that not a single State government is under, will come from. Until you can, do not ask West Virginia to sign on. We know the old saying, "Fool me once, shame on you. Fool me twice, shame on me." And we will not get fooled again.

I thank the Chair and I yield the floor.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SANTORUM. 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. SANTORUM. Mr. President, in the last few minutes here before we pack up and call it a day, I wanted to respond to some of the comments that the Senator from West Virginia just made while I was presiding. He made some comments that were familiar in tone, that I had been hearing throughout the day and throughout the week by so many Members who have risen in opposition to the balanced budget amendment.

I keep hearing this familiar refrain, "I am for a balanced budget—but." "I really believe in a balanced budget—however." "We need to get to a balanced budget but this constitutional amendment just is not the way to do it." "You need to tell us how you are going to get there. But I want to get there, too, but I do not need to tell you but you need to tell us, because you are for a balanced budget amendment." Or, you are for a balanced budget amendment but you are not for this amendment, because this amendment says that we are going to have a balanced budget by the year 2002.

Then when are you for a balanced budget amendment? If not in the year 2002, are you for a budget balanced budget in 2003? 2004? 2005? Pick a number. Tell us when you think we should have a balanced budget, and then you tell us how you will get us there. But do not stand and say that you are for a balanced budget in the abstract, but it would be too painful and too hurtful to your State or to the individuals that you know who will suffer under this, to get there. You are either for a balanced budget and for the commitment to get there, or you are just talking. And we have been doing a lot of talking here in the Senate and the House for a lot of years about how we are going to get to a balanced budget.

Now, the Senator from West Virginia said that he took pride in the vote he cast 2 years ago, 1993, that put us on course. We are on course, he said. We are on course. I do not know if he has seen some of the deficit projections by the Congressional Budget Office. We are not on course to a balanced budget. We are not even close to being on course to a balanced budget. This budget is going to hang around where it is right now for the next couple of years, and then just goes way up again around the turn of the century, doubling from where it is today. We are not on course for a balanced budget.

We must do something just to keep the deficits where they are now. We will have to pull back Government, or, as some would propose, increase taxes, just to hold where we are as far as annual deficits. So we are not on course. We are way off course.

Now, I come from southwestern Pennsylvania, which is the border of West Virginia. I actually lived the first 7 years of my life in West Virginia. I am very familiar with West Virginia. And I am very familiar with the pain that a lot of the people in West Virginia and southwestern Pennsylvania and around the Pittsburgh area where I am from, suffered during the early 1980's. And I represented a congressional district before I came here where in the late 1970's there were over 110,000 steelworkers working in my district. When I was sworn into office in the early 1990's, there were less than 15,000 steelworkers remaining.

Now, I know what economic devastation is, but I can tell Senators, the people in that district, the people in West Virginia, are not concerned about the next Government program we will create to put them back to work or to train them. What they want are good, private sector jobs. And that is what responsible fiscal policy will get this country. Sound fiscal policy will stabilize this economy and create jobs into the future.

I look forward to the opportunity to respond further to the Senator from West Virginia and others on that side of the aisle. I see it is time to wrap things up, so I will yield the floor.

Mr. HATCH. Mr. President, I want to compliment the distinguished Senator

from Pennsylvania. I cannot say what it means to me to see these new Senators on the floor coming down here and standing for the balanced budget amendment. All 11 of them do. It is an amazing transition, an amazing change. As somebody who has been fighting for this for the last 18, 19 years, I have to say, these folks, like the distinguished Senator from Pennsylvania, are making a difference. And they will make a difference, coupled with heroic Democrats who are willing to fight side by side with us because—whether liberal or conservative—they feel that it is now the time to make this change. We have to do it.

So I want to compliment the distinguished Senator from Pennsylvania. I have great respect for him. He deserves it. He is a great addition to this U.S. Senate. I hope he will keep fighting side by side us on this and other matters.

MESSAGES FROM THE HOUSE

At 3:55 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following bills and joint resolution, in which it requests the concurrence of the Senate:

H.R. 101. An act to transfer a parcel of land to the Taos Pueblo Indians of New Mexico.

H.R. 400. An act to provide for the exchange of lands within Gates of the Arctic National Park and Preserve, and for other purposes.

H.R. 440. An act to provide for the conveyance of lands to certain individuals in Butte County, California.

H.J. Res. 50. Joint resolution to designate the visitors center at the Channel Islands National Park, California, as the "Robert J. Lagomarsino Visitors Center."

MEASURES REFERRED

The following bills and joint resolution were read the first and second times by unanimous consent and referred as indicated:

H.R. 101. An act to transfer a parcel of land to the Taos Pueblo Indians of New Mexico; to the Committee on Energy and Natural Resources.

H.R. 400. An act to provide for the exchange of lands within Gates of the Arctic National Park and Preserve, and for other purposes; to the Committee on Energy and Natural Resources.

H.R. 440. An act to provide for the conveyance of lands to certain individuals in Butte County, California; to the Committee on Energy and Natural Resources.

H.J. Res. 50. Joint resolution to designate the visitors center at the Channel Islands National Park, California, as the "Robert J. Lagomarsino Visitors Center"; to the Committee on Energy and Natural Resources.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. THURMOND, from the Committee on Armed Services:

Eleanor Hill, Virginia, to be Inspector General, Department of Defense.

The following-named officer to be placed in the grade indicated under the provisions of title 10, United States Code, section 1370:

To be lieutenant general

Lt. Gen. Ira C. Owens, 000-00-0000, U.S. Army.

The following-named officer for appointment to the grade of lieutenant general while assigned to a position of importance and responsibility under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Paul E. Menoher, Jr., 000-00-0000, U.S. Army.

The following-named brigadier generals of the U.S. Marine Corps for promotion to the permanent grade of major general, under the provisions of section 624 of title 10, United States Code:

To be major general

Brig. Gen. Leslie M. Palm, 000-00-0000.

Brig. Gen. Michael J. Williams, 000-00-0000.

Brig. Gen. Lawrence H. Livingston, 000-00-0000.

Brig. Gen. Martin R. Steele, 000-00-0000.

Brig. Gen. Frederick McCorkle, 000-00-0000.

Brig. Gen. Michael D. Ryan, 000-00-0000.

Brig. Gen. Patrick G. Howard, 000-00-0000.

Brig. Gen. Wayne E. Rollings, 000-00-0000.

The following-named officer for reappointment to the grade of Vice Admiral while assigned to a position of importance and responsibility under title 10, United States Code, section 601:

To be vice admiral

Vice Adm. William C. Bowes, 000-00-0000, U.S. Navy.

The following-named officer for appointment to the grade of lieutenant general while assigned to a position of importance and responsibility under title 10, United States Code 601(a):

To be lieutenant general

Maj. Gen. John N. Abrams, 000-00-0000, U.S. Army.

The following-named officer for appointment to the grade of lieutenant general while assigned to a position of importance and responsibility under title 10, United States Code, section 601(a):

To be lieutenant general

Maj. Gen. Guy A.J. LaBoa, 000-00-0000, U.S. Army.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

Mr. THURMOND. Mr. President, from the Committee on Armed Services, I report favorably the attached listing of nominations.

Those identified with a single asterisk (*) are to be placed on the Executive Calendar. Those identified with a double asterisk (**) are to lie on the Secretary's desk for the information of any Senator since these names have already appeared in the RECORDS of January 6 and 10, 1995 and to save the expense of printing again.

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

(The nominations ordered to lie on the Secretary's desk were printed in the RECORDS of January 6 and 10, 1995 at the end of the Senate proceedings.)