

the people in this country favor it. When you get down to a little tax cut, I will be saying that 75 percent of the people would rather see this go on the deficit than into a middle-class tax cut. You say we must do what 75 percent of the people want on one thing. But on the next thing that 75 percent of the people want, you say something else.

Mr. President, I will tell you what ought to happen. The Republican and Democratic leaders ought to get together and say, look, we share a common goal, and that common goal is to keep faith with the American people. In order to do that, we have to start getting the deficit under control. You go back to your people and submit a list of cuts, and we will come up with our own cuts; then we will get back together and try to figure out what we can agree on. Once we agree on what we can cut, once we are convinced in our own minds that we are going to actually cut the deficit this year and the next year and the next year, the leaders, Democrats and Republicans, can go before the television cameras and say solemnly to the American people: Here is our contract. We all agree on it.

If we keep going like we are going, Mr. President, the Constitution and the American people both are going to lose mightily. I did not sign that contract. As far as I know, not a single one of the 100 Members of the U.S. Senate signed that contract. Can you believe that that contract would be as dramatically unrealistic as it is—we are going to have a constitutional amendment to balance the budget, provide \$471 billion in tax cuts, and defense increases. Most of the people who signed that are wannabes, people running for Congress who will say anything, sign their name to anything, and worry about the details later, after they have been elected.

And they will do it in 100 days. We are supposed to be a deliberative body. If it takes 100 days, fine; if it takes 300 days, fine. These things are supposed to be seriously considered. 100 days? It would not have been unthinkable in this Senator's mind to spend half of that—which we almost did—on this amendment until the American people focused on it and understood precisely what the consequences were going to be.

I must say I was terribly chagrined when I realized that no change to the constitutional amendment was going to be adopted. We were presented with a constitutional amendment that was crafted by the House of Representatives and sent to the Senate, and they said here it is, do not change one word. Do not uncross one "t," do not undot one "i," do not change anything. Think of that, saying to Senators here, who represent the people of their States, who want to improve it or kill it or otherwise change it. And they say, no, you do not count. We have 52 votes locked up over here and we will table anything you try to do. What kind of

deliberative body is that? It is like saying we do not care that we are dealing with this precious document and we do not care what you think.

That is not a fan you hear, Mr. President, that is the sound of James Madison whirling in his grave.

I yield the floor and 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. NICKLES. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

#### BALANCED BUDGET AMENDMENT TO THE CONSTITUTION

Mr. NICKLES. Mr. President, I rise to make a couple comments concerning the balanced budget amendment vote today, because I think in my 14½ years in the Senate, it is probably the most important vote that we have cast. In my Senate career, we voted on a balanced budget amendment four times—three times for real; and once on a cloture vote to end debate on a balanced budget amendment which I offered.

We passed it once, in 1982. We passed it with 69 votes. It was a bipartisan vote. At that time, the majority leader of the Senate was Howard Baker. I remember his support for the amendment. We had the support of Ronald Reagan, who was President at the time. But we lost by just a few votes in the House of Representatives.

The reason we lost the vote today is because six people who voted for the balanced budget amendment a year ago voted against it today. They have the right to change their minds. Many of the people that voted against it today who voted for it last year said they wanted to protect Social Security. But when they voted for it last year, there was no specific protection for Social Security. Those individuals thought the balanced budget amendment was worthy of voting for last year, but they voted against it this year. They have that right, and I respect Senators for their votes. I also think they should be held accountable.

When people are running for reelection, they many times claim, "Oh, yes I have always voted for a balanced budget amendment."

But today we had a chance to vote for one for real. The one we voted on last year, in all likelihood, was not going to pass. The House tried it last year and they lost by a few votes. We lost by a few votes.

This year, the House passed it. This year, if the Senate had passed it and we worked out whatever small differences we had between the House and the Senate, it would have gone to the States and we would have found out whether 38 States would have ratified it. My guess is, they would. My guess is, we would have followed the advice of

Thomas Jefferson. We would have enacted an additional amendment which would prohibit Congress from spending more than they take in. Thomas Jefferson was right.

BOB DOLE was right when he made his comments. I want to compliment Senator DOLE for his leadership. He has shown great patience. We spent over a month on this amendment. The House of Representatives debated it for 2 days. The Senate spent a month. Senator DOLE indicated the willingness to spend another week if we could have picked up the necessary votes. But we might spend another 2 months and still not get 67 votes. Senator DOLE can count votes. All of us can. Many of us were working, trying to make a difference, but we were not successful, mainly because six people changed their minds. They have the right to change their minds, but people need to know why we did not pass it.

In the November elections, we elected a lot of new people.

As a matter of fact, all 11 new Senators elected in the 1994 elections voted for it. But six people who voted for it in the past decided to vote against it. That is the reason the amendment failed.

To pass a constitutional amendment is a high bar to jump over. It is not easy. You have to pass the constitutional amendment by two-thirds in both Houses, and then additionally it has to be ratified by three-fifths of the States. That is not easily done.

We have had 27 amendments to the Constitution, 10 of which were the Bill of Rights and were ratified very early in our history. We have only had 17 since then. Sixty-six Members of this body felt as though we should have the balanced budget amendment, as well. The American people have supported it. It was mentioned two or three times on the floor that 80 percent of the American people believe we should have it.

I have been here long enough to know we need a balanced budget amendment. I have served on the Budget Committee; I have served on the Appropriations Committee; and now I serve on the Finance Committee. I think we need the discipline. It would not be necessary if we had a strong majority of both bodies, being fiscally responsible Members. Maybe then we would not need a balanced budget amendment.

Mr. President, I am totally committed to trying to balance the budget, whether we pass the amendment or not. I think we ought to do it by the year 2002. So I hope that we will pass a budget resolution that will move Congress toward balancing the budget no later than the year 2002. I hope we can pass it in both the House and the Senate.

Maybe that will be the easy part. Then we will have to pass the implementing legislation to make it happen, pass what we call a reconciliation bill and all 13 appropriations bills. We will

make Congress, for the first time, really cut entitlements. If we do not reduce the rate of growth of entitlements, we will never balance the budget.

Mr. President, the figures are not that complicated. We are spending about \$1.5 trillion right now. We are taking in a little over \$1.3 trillion. So we have a deficit of \$200 billion per year. Unfortunately, President Clinton's budget does nothing to reduce the deficit. The deficit stays at least about \$200 billion for the foreseeable future, and then escalates much, much higher in future years.

He does not touch entitlements; I had charts up earlier this week showing what the President has accomplished budgetwise. The President has said in his first 2 years, he has reduced the deficit by \$600 billion, but the facts do not agree with him. The facts are that spending has not been cut in the President's first 2 years. Actually, spending went up, if we use the CBO baseline. And President Clinton mentioned, in his State of the Union speech, that we should use the Congressional Budget Office.

Spending has not been cut. Actually, spending for the first 4 years of his administration goes up, compared to what would have otherwise happened. So spending has gone up, not down. That is evidenced by the fact that we used to spend \$1.3 trillion a couple years ago, and now we spend \$1.5 trillion. Under the President's budget year we spent \$1.6 trillion, and by the year 2000, we spend \$1.9 trillion. Spending goes up every year.

The facts are, also, we can balance the budget if we limit the growth of spending to about 3 percent per year. The total amount of money that we spend, if we can limit that growth to 3 percent, we can balance the budget.

I did not say cut spending; I say limit the growth of spending. We will have to somehow ingrain this in people's minds. I can tell Members right now when we come up with a budget people will say, "Republicans, are slashing programs. You are insensitive. You are making tough decisions." We should be.

But I also say, Mr. President, even under the Republicans, and in spite of all the slashing that we will be accused of, Federal spending will continue to escalate. I would like for Congress to freeze Federal spending. We are spending \$1.5 trillion. I would like for Congress to spend next year \$1.5 trillion. If we have an increase in some programs, that means other programs will have to be reduced to pay for it. That is what I would like. If we kept spending \$1.5 trillion, we could balance the budget before the year 2002.

Mr. President, we have to do it. I just hope that our colleagues, now that they have defeated this balanced budget amendment, will help us. Many people on the other side of the aisle said we do not need a balanced budget amendment. Many Members on this side of the aisle on the Budget Commit-

tee, on the Finance Committee, on the Appropriations Committee, I believe are committed to trying to balance the budget by the year 2002, because we think that is the right thing to do.

I can tell Members it probably will not be the right thing politically. We will expose ourselves politically. People will say, "You are slashing popular programs and you are not going to be popular if you cut this program or that program," and we will have to cut most all programs. I say cut. We will have to reduce the rate of growth in almost all programs if we are going to get there. I hope that we have the courage to do it. I think we need to do what needs to be done to make Congress balance the budget, regardless of whether or not we pass the balanced budget amendment.

I am really disappointed that we did not pass it today. I think if we would have passed it today, it would have changed the way we do business. I think people in the Budget Committee, in the Finance Committee, in the Appropriations Committee would say, "Wait a minute; this is a different era."

We stand right here in this Senate and put our hand on the Bible and swear to uphold the Constitution. That is the reason it is more important than a statute. That is the reason I think we would be more committed to abiding by that balanced budget amendment, regardless of the enforcement mechanism, because we are sworn to uphold the Constitution. I think we are serious when we take that oath.

A lot of our colleagues said that the amendment is not necessary. Well, we will try to do it, anyway. We will find out how sincere they are when we have the tough votes. We will find out what happens when we try to curb the growth of entitlements.

I will give an example. We have 336 different welfare programs—336—most of them stacked on top of each other. Many of which are counterproductive to our goals, if we want to try to help people, because it is making people become addicted to Federal programs—addicted to Federal assistance—not helping them climb up the economic ladder, but basically addicted to this idea that, "Hey, Government will take care of me, so why should I bother?" We have 152 different job programs. I know the Senator from Kansas is looking at consolidating many of those programs and giving them to the States to determine how best to manage them.

We have to curb programs like Medicaid, which has grown annually by 28, 29, 13, and 8 percent. We cannot continue to have rates of growth like that. We will have to curtail programs like the earned income tax credit that President Clinton is so proud of. His tax bill increased it dramatically. Three years ago, it cost \$5 billion a year. In 3 years, it will cost \$25 billion per year. These are astronomical rates of growth.

The EITC is an entitlement program. I read by one estimation that 40-some percent of the people in the District of Columbia are eligible for the earned income tax credit. That is absurd. It is a negative income tax under which Uncle Sam writes checks. It is rife with fraud. The IRS is now slowing the processing of returns because of fraud. A lot of people found out, "If I give you a few hundred dollars for your social security number, I can do your return and collect a \$1,000 or \$2,000 check from Uncle Sam." A lot of people are pulling that scam.

Food stamps—we have had unbelievable fraud and abuse in food stamps. The program's cost has compounded in growth well beyond inflation. We will have to take all programs, Mr. President, and look to scale many back substantially. If we want programs to grow more than 2 percent or 3 percent per year, we will have to cut other programs to make that happen.

I just hope we will have the courage to do it, in a bipartisan fashion. I hope that we will come up with a budget unlike President Clinton's, which projects \$200 billion deficits forever. I hope that we will pass a program that will bring the deficits on a downward trend where we will be down to zero no later than the year 2002. That will not be easy. And maybe if we cannot do it—I hope we can, but maybe we cannot—people on the other side will realize they made a mistake in voting against the constitutional amendment to balance the budget. Maybe they will realize that we need that kind of discipline to be able to say no.

Congress will have to say no to Federal spending if we are ever going to get there. You are more popular as elected officials giving people money, cutting ribbons for more Federal spending, for XYZ school and XYZ projects, than taking away from them in taxation. You are more popular giving than taking away, and more popular spending than taxing.

I am really disappointed in the vote today. I think we need a constitutional amendment. I hope and expect that we will have the opportunity to vote again, and maybe they will hear from their constituents. I hope people across the country, when they find out that their elected Members voted against this amendment, will talk to their Members, and let them know how strongly they feel that this amendment should have passed.

If this is a democracy where people really have a chance to meet with their constituencies and listen to their constituencies, this amendment should pass, and I believe it will pass. I would like for it to pass this year. Maybe it will take another election. The American people spoke clearly in the elections in 1994. I believe they will be speaking very loudly in 1996, and maybe they will hold their elected Members accountable. Then maybe that will enable us to pick up the extra

vote or two necessary to pass this amendment.

So, Mr. President, I am very sincere in saying I think this is probably the most important vote we have had in decades. It is unfortunate it did not pass today. It did not fail for a lack of effort or leadership on behalf of Senator DOLE. He showed great patience and, I think, great leadership. I also wish to compliment Senator HATCH and Senator CRAIG for the hours and hours that they spent on the floor. It is just unfortunate we were not successful.

I hope that the American people help us succeed, not just for Republicans in the Senate, not just for the idea of a balanced budget but really succeed for American taxpayers, for our children. People should not be confused about claims that, "I would vote for that except I want to protect the Social Security trust funds."

That is one of the most absurd arguments made on the floor of the Senate. How can they protect Social Security trust funds which do not exist? The Social Security trust fund is a falacy. There are no trust funds. There is not a bank account where any person in America can go look at the billions of dollars accumulating there. The trust fund is full of IOU's. And very soon, perhaps by the year 2013, we are going to be paying out more than is coming in.

At that point it is assumed that we will start cashing in on the trust fund IOU's. But what is really there? There is nothing in the trust fund but an IOU. How do we pay off Government IOU's? We borrow more money. By the year 2013, we are going to be paying more in social security benefits more than we take in from social security payroll taxes, and for each IOU we cash in to pay benefits we are going to have to borrow to pay off the IOU. That will put an enormous burden on younger generations.

I think my colleagues who say they voted against this amendment to protect the trust funds do not understand that there are no real trust funds, there is no bank account, there is no fund where money is actually accumulating. There is just a Government IOU, and that Government IOU is going to be paid for like we pay other Government IOU's. It is going to be paid for with additional borrowing.

Maybe that was the political cover they needed to excuse them from voting against this amendment, but it is very deceptive and very misleading. I think we have to be truthful with the American people.

Again, those same people who voted "no" today voted "yes" last year, and we had no special protection for social security. We had no such exemption for Social Security. I hope that the people will speak out loud and clear to their elected officials, and maybe we can reverse the result that we had on the floor today.

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

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

#### PRESIDENT CLINTON'S LEADERSHIP IN REDUCING THE NUCLEAR THREAT

Mr. DASCHLE. Mr. President, yesterday, in a speech before the Nixon Center For Peace and Freedom's policy conference held here in Washington, President Clinton spoke eloquently about America's leadership role in the post-cold war era and the importance of America remaining engaged in world affairs. The President placed particular and appropriate emphasis on the need to continue to make strong efforts to reduce the threat of nuclear weapons.

The President's remarks regarding his concerns over the new isolationism creeping into the debate over American foreign policy and the outline of his ambitious agenda to reduce the international nuclear threat are especially significant for members of the Senate. In the coming weeks we will be beginning debate on major foreign policy issues and may vote this year on ratification of the START II treaty as well as consider the Chemical Weapons Convention.

As President Clinton has rightly pointed out, American leadership is vital to continued international efforts to promote peace and reduce the threat of nuclear weapons. Since the days when President Truman began American efforts to curtail the threat of nuclear war, every American President has worked to reduce that threat to world peace. President Clinton has sought to advance that goal and exploit the additional possibilities for peace and prosperity provided by the end of the cold war.

There have been some notable successes. For the first time in a generation, no Russian missiles are targeted on American cities. Under the START I treaty negotiated by President Bush and placed into force by President Clinton, the United States and Russia are dismantling thousands of nuclear weapons. Former Soviet republics that were potential nuclear powers have now pledged to rid their countries of nuclear weapons.

This year President Clinton has started a vigorous program to reduce the threat posed by weapons of mass destruction. He has called for an indefinite world-wide extension of the Nuclear Non-Proliferation Treaty. And he has urged the Senate to quickly ratify the START II treaty, and the Chemical Weapons Convention to ban poison gas. He has promised to push for conclusion of a Comprehensive Test Ban Treaty and to fight for a global ban on the pro-

duction of nuclear material for weapons.

The President's efforts to keep America engaged as the world's leader in the pursuit of peace and in reducing the threat of nuclear weapons are of vital importance to the national security of the United States and deserve the support of every American.

I commend his remarks to my colleagues' attention, and I ask unanimous consent that they be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

#### REMARKS BY THE PRESIDENT TO THE NIXON CENTER FOR PEACE AND FREEDOM POLICY CONFERENCE

The President. To Tricia and John Taylor, and all the people from the Nixon Center; our distinguished guests from Germany and from Russia; of course, to Henry Kissinger—I was thinking when he said we both spoke with accents, judging from the results of the last election, his native country is still claiming him more than mine is claiming me. (Laughter.) but I'm a big one for reconciliation. (Laughter.) And there's plenty of time to achieve it.

I am honored to be here tonight. Just a month before he passed away, President Nixon wrote me the last letter I received from him about his last trip to Russia. I told some people at the time that it was the best piece of foreign policy writing I had received, which angered my staff but happened to be the truth. (Laughter.) And as with all of our correspondence and conversations, I was struck by the rigor of his analysis, the energy of his convictions, and the wisdom of the practical suggestions that he made to me.

But more than the specifics of the letter, which basically argued for the imperative of the United States continuing to support political and economic reform in Russia, I was moved by the letter's larger message—a message that ran throughout Richard Nixon's entire public life and all of his prolific writings. President Nixon believed deeply that the United States simply could not be strong at home unless we were strong and prepared to lead abroad.

And that made a big impression on me. When I was running for President in 1992, even though there was this little sticker up on the wall of my campaign headquarters that said, "It's the economy, stupid," I always said in every speech that we had to have two objectives. We had to restore the American Dream for all of our people, but we also had to make sure that we move into the next century still the strongest nation in the world, and the world's greatest force for peace and freedom and democracy.

Tonight I want to talk about the vital tradition of American leadership and our responsibilities, those which Henry Kissinger mentioned and those which President Nixon recognized so well. Our mission especially I want to discuss—to reduce the threat of nuclear weapons.

Today if we are going to be strong at home and lead abroad, we have to overcome what we all recognize I think is a dangerous and growing temptation here in our own land to focus solely on the problems we face here in America. I want to focus on the problems we face here in America. I've tried to do it for the last two years. I look forward to working with this new Republican-led Congress in the next two. But not solely.