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Senate

(Legislative day of Monday, May 15, 1995)

The Senate met at 9:45 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Gracious God, You have shown us that You want to guide what we pray, so that You can grant us the desires of our hearts. We begin this day with King Solomon's response to Your question, "Ask! What shall I give you?" Then Solomon asked for what we desire for the work of this day. He confessed his own inadequacy and need for strength to grasp the challenges of being a leader. Then he asked for an "understanding heart." We are moved by the translation of the Hebrew words for "understanding heart," meaning a "hearing heart." Solomon wanted to hear both Your voice and the voice of the people expressing their needs, and be able to respond and speak to those needs out of the depth of wisdom that came from a heart tuned to Your spirit's supernatural power. May the response You gave to Solomon be the response You give to the women and men of this Senate who long to know and do Your will: "See, I have given You a wise and understanding heart." The heart of the matter is the heart: Your heart speaking to our hearts. Help us to listen, Lord. Amen.

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

The PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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 President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. INHOFE). Without objection, it is so ordered.

RESERVATION OF LEADER TIME

The PRESIDING OFFICER. Under the previous order, leadership time is reserved.

MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 10:30 a.m., with Senators permitted to speak therein for not to exceed 5 minutes each.

The Senator from Illinois.

(The remarks of Mr. SIMON pertaining to the introduction of S. 811 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER. The Senator from Pennsylvania.

WHERE IS BILL?

Mr. SANTORUM. Mr. President, I appreciate the opportunity to talk about an issue that greatly disturbs me at a time when we are debating in this country how we are going to get to a balanced budget and what steps we need to take and the tough decisions in setting priorities about where Federal spending should go in the next 7 years.

We had a process that went through here in the Senate and over in the House that just came from the conference committee to cut \$16 billion, \$16 billion of funding that has been appropriated by this Congress over the past year or two—a truly minor downpayment on reducing the Federal budget deficit. It is about 1 percent of what we will spend this fiscal year. We are talking about cutting 1 percent, not just in this fiscal year but this fiscal year and the next combined. About \$16 billion is what the rescission package will do.

I see the headline in the Washington Post, not the one I am particularly proud of, which is "Capitals Dismantled by Penguins," which I am happy to see that, but one which greatly disturbs me under that which is, "Clinton To Veto \$16 Billion Rescissions Package." The President—who has presented a budget that is going to add almost \$2 trillion to the national debt over the next 7 years, who refuses to come to the U.S. Congress and present a balanced budget, who says there is no problem in Medicare, who says that everything is just fine—now decides he cannot support cuts in spending. He cannot support cuts in spending: That \$16 billion is too much. We just cannot do it. We cannot tighten our belt to do that.

So he is going to go to some group. I am sure he will wrap himself—I do not know, I did not read this completely—wrap himself with either a group of seniors or a group of children because that is what you do when you do not want to change things. You hide behind children or you hide behind seniors, and you say: "We cannot hurt these vulnerable in our society." But the fact of the matter is this is a drop in the bucket. These are spending cuts, many of which he advocated, to programs many of which do not work.

Sure there are some tough cuts in here, things I am uncomfortable with. We cut, in this bill, low-income home energy assistance, not this year which I am happy to see, but next year, by \$300 million. I think that is a painful thing. But we have to share. We cannot do everything. We cannot continue to spend everything we are spending now. I think that is a good compromise.

There are other things in there that cause me some problems. They may be good programs but we have to be able to say we are going to tighten our belts

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.



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a little bit. And here you have a President who is holding dialogs with himself about his relevancy, showing he is not going to be relevant to balancing the budget, he is going to stand in our way every step of the way to block any kind of reducing the size of Government or cutting spending here in Washington, DC.

Mr. President, \$16 billion out of \$1.6 trillion and we cannot do that. It is too tough. I think the American public should see this for what it is, a President who just wants to blame the other side for being mean and being cruel and offers nothing in return, who offers no balanced budget to this body, who says he is not for the balanced budget amendment to force us to get there, who says there is no problem in Medicare when it is going to go broke in 7 years. His own trustees say it is going to go broke in 7 years. Denial, denial, denial; no, no, no.

Where is the President? You know, we had the great debater from the State of Massachusetts, Senator KENNEDY, stand up and say, "Where is George? Where is George?"

Where is Bill? Where is Bill? Where is he going to be if we are going to balance this budget? Where is he going to be if we are going to put this country back on sound footing again? Is he going to continue to hide behind the status quo, to be the President who goes down defending this policy that has just continued to pile up debt after debt after debt?

Where is Bill? Where is he when it comes to setting this country back on the course of fiscal responsibility?

I will tell you where he is, hiding behind a group of people, vetoing legislation to get us back on the right track. We deserve better.

I yield the floor.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER. Without objection, it is so ordered. Under the previous order, the Senator from North Dakota [Mr. DORGAN] is recognized to speak for up to 30 minutes.

Mr. DORGAN. Mr. President, it is always entertaining to listen to the morning discussions on the floor of the Senate. I should not say always entertaining. It is at least occasionally entertaining. As to the question of "Where is Bill?"—which I assume really asks "Where is the President?"—he is at 1600 Pennsylvania Avenue. He was there yesterday. I assume he is there this morning, reachable by phone if someone really wants to visit with him about policy issues.

But I would say that at least yesterday, when some of us visited with the President about the budget issues, we talked about a lot of things. There is

no disagreement, in my judgment, among those of us in the Senate or with the President or Members of the House of Representatives about the goal. We have a budget that is out of balance and it must be balanced. We must, it seems to me, develop a plan that is thoughtful, that establishes the right priorities, but especially in the end balances the budget.

It is interesting. I hear people stand up here on the floor of the House and bellow and crow about how they are the ones that have all the answers, they are the ones that know how to balance the budget, they are the ones with the guts, and they are the ones with a plan. What a bunch of nonsense. Add it all up, just back up and add it up, and you will find that there is not a nickel's worth of difference between Members on either side of the aisle, in the House or the Senate, about how much money they want to spend. Oh, there is a big difference in how they want to spend it. Some want to build more jet airplanes, jet fighters, and bombers, and build more missiles. Some want to stay as deep in debt as we are; that we ought to rebuild star wars right now. That is a proposal before us.

So they want to spend money, all right. Others of us want to make sure that a poor kid gets a hot lunch in the middle of the day at school, or that we have a Head Start that is fully funded, or a WIC Program that works, or health care available to the elderly when they need it. So there is a difference in how we want to spend money. There are differences in our priorities. But there is no difference in appetite.

Do not let anybody tell you different. Add up the priorities in the 1980's, and you will see that those who call themselves conservatives have an unending appetite to spend the public's money just on different things. This is evident even now. As tough as times are in this country, they are over pushing to cut back on the hot lunch program, and they have decided that it should no longer be an entitlement for a hot lunch for a poor kid in the middle of the day at school. But if a hot lunch for a poor kid in school is not an entitlement, they sure want to build star wars at a time when there is no longer a Soviet Union. That is the difference. There are differences in priorities.

No one should believe that there is not a grim determination on both sides of the political aisle in the House and the Senate this year to balance this Federal budget with a plan that gets there in a real and in an honest way. The quarrel is about priorities. It is a legitimate quarrel. We sometimes fight for and believe in different things. We come from different parts of the country. We represent often different ideologies. But the quarrel is not the goal. The destination is something that I think is well accepted. We must get to a balanced budget.

I sent earlier this month recommendations to the Senate Budget Committee totaling nearly \$800 billion in spending cuts. I want to send them some more. There are plenty of spending cuts—some of them very aggressive, some of them controversial—that should be, could be, and I hope will be made in order to reach a balanced budget. I happen to think it is a priority as a goal.

But these days when we find ourselves in a circumstance where we are up to our necks in debt, spending more than we take in and charging the balance to our kids and grandkids, some say what we really need to do is to have a tax cut. They construct a middle-income tax cut. In fact, I was asked by a radio moderator the other day about what I think of the middle-income tax cut or the middle-class tax cut passed by the House of Representatives. I said, "Gee, which tax cut could you be referring to?" The middle-class tax cut passed by the House of Representatives provides, on average, a \$124 tax cut for those families with incomes under \$30,000 a year, and an \$11,000 tax cut for those families with incomes over \$200,000 a year. That is what they define in the House as middle income? They have been reading different math books than I have been reading, I guess.

I do not think a tax cut is advisable at the moment. I think the first job is to reduce the deficit, not to run over and curry favor with popular programs like tax cuts. But if we were going to have a tax cut, we ought to have a tax cut that benefits working families, not just the upper income families, not just the affluent in our country.

So I would like folks to take a look at this chart. This chart shows the kinds of priorities that some stand up here and bust their buttons about, calling them middle-class priorities. This tax cut is a tax cut that benefits disproportionately the most affluent in this country and gives a few pennies to the rest.

I do not happen to think we ought to have a tax cut at this point. I think we ought to keep our nose to the grindstone, cut spending, and use the revenues to reduce the Federal budget deficit. When we have that done, I will join others in this Chamber to propose a tax cut that then will be helpful to middle-income families. But to decide you ought to have a decrease first—let us go ahead and serve dessert at this meal first, which is a tax cut, because that is enormously popular—that has a ring to it that is only political, not substantive. That says let us curry favor, and not do the hard work of dealing with the deficit.

At the same time that some who propose a contract say let us have a tax cut that they call middle class but really, as you can see from the chart, benefits the most affluent in our country, they say we have a plan to cut Medicare. But they do not have a plan to protect health care for the elderly.

They would just cut the dollars. More and more people are growing old in this country. Some months—most months, in fact—we have 200,000 Americans in 1 month become eligible for Medicare. Why? Because America is growing older.

So as more and more people become eligible for Medicare, to cut the funding without worrying about how an elderly person gets health care is hardly a priority I think which stands the test of good sense. And if you say to a country that faces real challenges in its future that the way to face them is to make it harder for a kid to go to college and cut back on money for student aid, then you are not in my judgment investing in our future.

Why do that? We do that at least in part because some want to give a big tax cut to the most affluent in America. Again, I do not quarrel with the goal. I think the goal of balancing the budget is a goal we must march toward and meet. That is our challenge, and that is our test. I think there is substantial room to quarrel about the priorities at this point. There is a right way to do this and a wrong way to do it. And the right way to do it is to understand that the economic engine in this country is the working family. You do not help the working family in this country by doing the kinds of things that they are talking about in this budget. That is the wrong way.

I would say that maybe 50 or 60 percent of the budget recommendations brought out by the Budget Committee make a lot of sense, and I would sign up immediately for them. I support a lot of those proposals. A lot of them are good. I give Senator DOMENICI and other members of the Budget Committee great credit for some of those provisions, and I will support them in a minute and vote for them. But I am just saying that in the Contract With America in the House and also in the Senate, there are some provisions that reflect in a traditional way the difference in priorities.

We believe in education. Let us invest in education and not withdraw the help for those who want to learn, those who want to produce, and those who want to go on to become citizens who will help build this country. Let us not withdraw health care assistance from the elderly and the poor who need it. Let us not increase taxes for the low-income working families, which is also a part of this budget proposal. But there are many other areas where we can cut, and cut significantly, and cut much more than is now proposed by the Senate Budget Committee recommendation.

So I hope when we get this to the floor, I hope you will not hear one word from any Member of the Senate who quarrels about the goal. We must balance the budget by 2002. It is doable. It is doable without the greatest of effort by Members of the Senate. But it ought to be done right away, investing in the right things still for this country, even

as we cut those things we no longer need, those things that waste money and those things that are extravagant.

TRADE WITH JAPAN

Mr. DORGAN. Mr. President, I want to turn to one other very brief subject, and that is the issue of trade with Japan.

I intend to provide a discussion tomorrow at some greater length about our trade situation. But I noticed that the Trade Representative has announced potential sanctions in the future against Japanese trade with the United States if Japan does not open its market further to United States goods.

The fact is the trade situation in this country is serious. We talk a lot about the Federal budget deficit, but we have another deficit that is serious and troublesome. We have a trade deficit that is the most significant trade deficit in this country's history. The merchandise trade deficit last year was \$166 billion, and I have a chart that shows our trade picture in this country. I would like to hold it up.

This chart shows with whom we have trade deficits and those with whom we have trade surpluses. We have almost no surpluses, and those countries with whom we have a surplus, it is a very, very minuscule surplus, but you will see what is happening with respect to deficits.

All of our major trading partners are countries with which we now have a trade deficit, and that now includes Mexico, for all those who said we were going to have all these new jobs and bountiful trade with Mexico. What a bunch of nonsense that was. We have turned a trade surplus with Mexico into a very significant trade deficit. Most experts suggest the deficit with Mexico will turn out to be anywhere from \$12 to \$16 billion. It was the last remaining major trading partner we had with which we have had a surplus, and we have turned that into a deficit, unfortunately, with NAFTA and the subsequent devaluation of the peso, and so on.

But you will see in this line a growing, escalating trade deficit with Japan even as the dollar was weakened against the yen, even when you would expect the trade circumstances to move in the other direction. Our trade deficit with Japan is unsustainable, and it is not fair. The Japanese expect their products to come into the American market unimpeded, and they do. We have a wide selection of brand names from Japan in virtually every area of consumer products. So they access our marketplace. And what happens when we try to access theirs? We find impediment after impediment after impediment, and we cannot get American goods in any significant quantity into the Japanese marketplace.

I have a very small chart I would like to show on auto parts and on cars and

trucks, and I hope that this can be picked up. But this shows the percentage of auto parts by country, and I wish to show you the import share. The United Kingdom has 60 percent—60 percent of the auto parts in the United Kingdom are imports; 32 percent in the United States; 49 percent in France; 16 percent in Italy; 2.4 percent of the auto parts in Japan are imported—2.4 percent. All the rest are produced in Japan.

Now, is that an accident? No, it is not, because they keep auto parts out of Japan. You cannot get them in. They can move them to the United States, but we cannot move them to Japan.

How about cars and trucks? Mr. President, 4 percent of the cars and trucks sold in Japan are imports. And you look at the rest of the countries: 35 percent in Italy; 54 percent in the United Kingdom; 30 percent of the cars and trucks sold in the United States are imports; 4 percent of the cars and trucks sold in Japan are imports.

Now, is that because no one has figured out a way to sell in Japan? No. It is because Japan keeps them out. Japan has a one-way trade strategy that says we want Japanese producers to be able to sell in your markets, but when your producers want to sell in Japan, we want to keep them out.

This President, to his credit, has begun to stand up to other countries, including Japan, saying we are sick and tired of one-way trade relations. When we have these trade deficits, it means lost jobs in America—lost jobs, lost income, lost opportunity, and lost hope. The President is saying we expect and demand reciprocal trade policies. Japan, we want you to open your markets.

We are not saying we want to shut off access to Japanese goods in the United States. That is not the point. The United States has demonstrated for many, many years that we want our consumers to have the widest possible choice of goods, including goods from around the world. But it is long past the time when our country should accept a trade relationship that is unfair to our people, unfair to our country, unfair to our wage earners.

This President is saying to Japan, we are going to hold up a mirror. We treat you well. Our borders are open to you. You move your goods here in increasing quantities. We expect your borders to be open to us. We expect American producers and the product of American workers to have access to the consumers in Japan. And he is the first President for some long while to have the nerve to stand up and to have the nerve to confront the Japanese on these issues.

It is not just the Japanese. We also have to confront the Chinese, whose \$30 billion trade surplus with the United States is growing at an alarming rate. We must be able to penetrate those markets and have fairness in the world and world trade.