

coping with the shutdown, keeping their services available even when faced with lapses in federal funding.

Michigan, for example, has been using its own revenue to make up for the cutoff of federal funds in crucial programs such as Aid to Families with Dependent Children (AFDC) and Medicaid, said John Truscott, a spokesman for Gov. John Engler (R). "We can't fund them forever, but for the next couple of weeks we're okay," Truscott said.

Wisconsin is preparing to use more of its own funds for those two major programs this week but is counting on an eventual reimbursement from the federal government, said James R. Klauser, the state's secretary of administration. He said AFDC and Medicaid payments range between \$25 million and \$40 million a week in Wisconsin. "We look at it every week," he said. "We're comfortable right now."

California is losing more than \$5 million a day in tourism revenue. Officials of Mariposa County, the home of Yosemite National Park, asked Gov. Pete Wilson (R) to declare the county an economic disaster zone, but Wilson turned down the request, saying it exceeded the scope of his authority.

The shutdown also cut into the pensions of about 150,000 retired railroad workers. The retirees, most over 70 years of age, receive a portion of their pension from appropriated funds and the rest from a retirement trust fund. They will lose about two-thirds of an average \$130 monthly payment that is paid directly from the treasury; the rest of their annuity from the railroad trust fund will not be reduced.

Federal agencies, meanwhile, continue to struggle to provide services.

Only two of the 15 employees that the Department of Housing and Urban Development has in Flint, Mich., for example, have been allowed to report to work during the shutdown. That has forced the office to delay opening any bids from families or real estate agents for HUD property. Also, none of the roughly 500 families who have home-purchase loans through the field office have been able to get any help, especially those who are drifting further into delinquency.

"The sense of emergency is much higher now than before," HUD coordinator Gary Levine said. "The three-day shutdown before wasn't so bad. Three weeks is. This is no way to treat the public."

The PRESIDING OFFICER. The Senator from New York.

NEW YEAR'S GREETINGS

Mr. D'AMATO. Mr. President, first, I extend New Year's greetings to all my colleagues and constituents and wish them and their families a healthy new year.

COMING TOGETHER ON PRINCIPLES

Mr. D'AMATO. Mr. President, as we embark on this new year, I think it might do us all well if we were to put aside the rhetoric of confrontation and attempt to come together on some principles that so many have articulated for so long but have failed to really enact. I do believe there might be a handful—and I say a handful—who do not believe there should be a balanced budget. I have not identified anyone. No one has ever told me they are opposed to that, whether they be Democrats or Republicans.

Over the 15 years now that I have been here, I have seen us work, Democrats and Republicans, to attempt to achieve that. I have seen us pass Gramm-Rudman in an attempt to bring about a balanced budget.

On the campaign trail, it is great fodder to say I am for a balanced budget. I want that, and yet when it comes to doing the business of the people, we have failed to do that. We have failed to achieve it. And the reason is because it is not easy. It is difficult. The reason is that because the same people, our constituents, who, on the one hand, say and demand we do the business of the people, as we should, in a responsible manner, that we cut out the wasteful programs, that we reform systems such as the welfare system that certainly needs an overhaul and should be reformed and turned into a workfare system, when it really comes down to implementing what is necessary to achieve a balanced budget, the same people in many cases are the first to come to us and to beseech us to cut spending, but, by the way, there is a good program and it is in education or it is in the arts or it is as it relates to transportation or drug treatment, all of these good programs that are for seniors and do not cut that program.

Everybody has a favorite program. That is without even touching the area of entitlements that people are afraid to even speak to. The fact of the matter is that if you were to reduce or eliminate the spending in all of the discretionary programs, eliminate any of the moneys that we spend on education, any of the money that we spend on the military, on defense, and all of the money that we might spend in housing and urban development, in mass transit, eliminate it all, that unless we begin to curtail the growth in the entitlement programs, begin to reduce that growth in Medicare, in Medicaid, why, then, it makes no sense, we will continue to operate with huge deficits.

That means we are mortgaging the future of our children and their children and future generations. I suggest that that is not responsible. That is an easy way out. That is what has been taking place for far too long.

So as we embark upon this new year, I hope that maybe we will stop being accusatory, one side blaming the other—all of us know that this is not going to be easy—but attempt to come together and to say, how can we moderate the growth in these programs?

I have heard friends of mine, Democrats, indeed, at the White House, the President, Mrs. Clinton, have talked about slowing the growth in these programs. How is it now that that rhetoric has turned so harsh? How is it now that those who attempt to implement the same suggestions that were put forth by the White House in good faith are now accused of attempting to savage senior citizens?

That is inaccurate. It is not fair. Rather than one side or the other being

accusatory, why do we not attempt to build on those things that we agree on? If we agree there is a need to balance the budget, if we agree and we have spoken to doing it within a prescribed period of time, if we have agreed that we would use realistic numbers and not pie in the sky, why do we not begin to do this?

It would seem to me that the people of the United States have every right to be angered at both the administration and the Congress for not resolving these differences in an appropriate fashion by working at it and not by delaying and not by taking extended vacations and not by PR and not by spin doctors, but by coming down honestly to resolve this in a manner that all of us know can and should be done.

So I do not come to the floor for the purposes of blaming one side or the other or pointing a finger toward the administration or saying that all that we have put forth in our balanced budget proposals must be and should be adopted. But certainly within the bounds of those that have been suggested, those suggestions by the administration, and within the bounds that have been put forth by the Congress, there is ample opportunity, there has been and there is now, that if we exert ourselves and exhort ourselves not to try to be one up on the other side, one up so we can aggrandize it and claim credit, then why do we not take a look at what we owe the people?

There are suggestions that make sense. It would call for some collective coming together and some courage to be demonstrated on both sides. The senior Senator from New York, my colleague, Senator MOYNIHAN, has put forth as a suggestion looking at the CPI. The CPI no longer adequately reflects what the true costs are as it relates to goods and products and services and indeed has been estimated as being off by as much as one-third—one-third. We say, what is 1 percent? But 1 percent, if you have a 3-percent increase in the inflation rate, is one-third.

Why not then use legitimate numbers to measure what the cost-of-living increase is, what the cost for the consumer really is? That would take some courage on both parts, on the side of the Republicans and the Republican Congress as well as our colleagues on the Democratic side, and on the side of the White House. But, my gosh, if it is a fact, and if it is true, why do we not come together and say, this is the place to start?

We might be able to save \$150 billion. Imagine that. Why can we not have the good common sense, again, collectively, Democrats and Republicans, both in the Congress and in the administration, the Executive, to say this is something we can agree on? If we do it together, that together we can go forward and say this is the right thing to do, why then, that is what we should be expected to do.

I do not know that it should even take such great courage. But if one

side is afraid the other will then run to the various lobbying groups and to the seniors and claim that they are trying to cut back their increased benefits, then let us do it collectively, let us go forward collectively.

There is \$100 billion-plus that can be saved. Should it be saved? I suggest that we have an obligation to do that and, again, to do it together. I suggest that we are wrong in postponing the inevitability of what will take place, which is mortgaging the future and saddling future generations with this great burden, which will mean that they will lose the opportunities that we had in terms of home ownership, in terms of jobs, in terms of creativity that otherwise is going to be stifled in this country.

It seems to me that there are areas that we can agree upon. You cannot continue to double the growth of any program every 7 years. It is a simple mathematical proposition that if you increase spending at the rate of 10 percent per annum over 7 years, you come up with the figure of 2. You have doubled whatever that cost is. So in the area of Medicare, if you are spending \$100 billion now, and you increase spending by 10 percent per annum, in 7 years it will be \$200 billion.

Does that make sense? Of course not. So it would seem to me that together we should begin to say, how can we moderate the growth in various programs? Yes, good programs, necessary programs. Where can we achieve savings? How can we do that?

In the area of taxes and tax relief, does any side really believe one side wants to advance the interests of the wealthy over those of working people, over those of people who are struggling to make a living? It might be good rhetoric politically for one side or the other to charge that, but how does that advance the business of doing what we should on behalf of the people? We detract, and we detract from ourselves. We detract from the process. And people then come and say, "We need a change. We need to change what is going on. A pox on both your houses."

I hope we would begin to address, where can we give tax relief? And who is entitled to tax relief? Are working-class, middle-class families with children entitled to that relief?

Mr. President, I thank you for the opportunity of putting forth just some suggestions in a new year, in the spirit of attempting to come together and to do the business of the people. I hope we could all reach out together, Democrats, Republicans, legislative and executive, to do that business.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. BOND). Who seeks recognition?

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

ISSUES WE MUST ADDRESS

Mr. DORGAN. Mr. President, at noon today we began a new session of the

104th Congress. The first order of business, as described by my friend, the Senator from Maryland, Senator SARBANES, is to end this shutdown and get people back to work and pay Federal employees for the work they do.

Someone yesterday on the floor said, "Well, my constituents cannot understand this shutdown of the Federal Government."

There is good reason for that, because it is not an understandable kind of thing. It made no sense. It never made any sense for anybody to say to 280,000 Federal workers, "We prevent you from coming to work, but we're going to pay you for not performing work we won't allow you to perform."

What kind of logic is that?

And then to say to half a million others, "We insist you come to work and we won't pay you until we resolve the dispute between the White House and the Congress on the budget."

What on Earth kind of logic is that? The first order of business is to end this shutdown that has never made any sense.

The second order of business is to reach an agreement on the budget, one that, yes, does balance the budget, does it in 7 years and does it the right way with the right priorities.

There are other things we need to do this year. There are other priorities. At the start of this session a couple of hours ago, I heard a description of some of the successes of the last session and, indeed, there were some successes in the last session. I might say one of the disappointments of the last session for me and many of us who come from farm country was the inability to have enacted into law a 5-year farm program. There is great difference in Congress about what kind of a farm plan we ought to have. There were virtually no hearings, there was no bipartisan markup, very little bipartisan discussion about a farm program this past year. One was cobbled together, posthaste, and put in a reconciliation bill that everyone knew was going to be vetoed.

The result is we now cross into the new year with no 5-year farm program. I think that is unfair to farmers. It is important to tell farmers and their lenders what kind of a farm program we will have this year as they begin planting their crops this spring. My hope is the Congress will turn its attention to this, have a fair debate, have some hearings about a decent farm program, what works to help family farmers in this country. My hope also is while we do that, the Congress will extend the current farm program for 1 additional year. It seems to me that will provide some certainty, at least, with what will happen with respect to 1996, and then it seems to me we ought to decide to write in 1996 a good farm program, one that saves money, yes, but one that saves family farmers and gives family farmers an understanding that there is a safety net so they will have a chance to make a living when

international prices go down and stay down.

So I hope the Congress will consider extending the current farm program for 1 year, and I hope the Congress will be serious and the Congress will decide quickly to begin hearings and to begin a thoughtful discussion about what kind of farm program works for the long-term future of family farmers in this country.

I want to mention two additional items. Not very many minutes ago a Member of the Senate stood up and said one of the problems we face is the construction of a national missile defense program. He spoke very persuasively—not for me but very persuasively for his point of view—that we need a national missile defense program.

This is not about partisan politics, it is about fundamental disagreements about how we spend money. Stripped apart, someone who calls for a new national missile defense program is calling for a new spending program of \$48 billion. Those who say we ought to tighten our belts and cut Federal spending and then stand up and say, "By the way, we want to start a new star wars"—and, by the way, it is star wars, there are space-based components included in the program—a multiple-site national missile defense program, are standing up and saying, "We want to embark on a \$48 billion new program to construct star wars." I am just saying that is out of step with what we ought to be doing.

The cold war is largely over. In Russia today, they are destroying missile launchers and destroying warheads as part of the agreements we have on weapons reductions, and then we have people stand up and say, "By the way, let's begin a new \$48 billion program for star wars, and we insist that you order 20 new B-2 bombers for over \$30 billion that the Pentagon says they can't afford, don't need, and don't want."

So I urge us this year to have an aggressive thoughtful debate on those policies as well. If we want to cut spending, and we should, if we want to save money, and we should, if we want to balance the budget, and we ought to, we cannot afford, in my judgment, to order star wars or B-2 bombers the Pentagon says they do not want and this country does not need.

Finally, there is another issue that we have to address in 1996, and that is the issue of jobs. We need to balance the budget because it is the right thing to do and will give us a better economy. I agree with that. But we also ought to care about specific policies in this country that relate to jobs.

Yes, an expanded economy produces jobs. So does a decent trade system. Mr. President, you know something, with all of the angst, with all the nail biting and with all the finger tapping on the desks around here, the shrugging about this, that, or the other thing, the merchandise trade deficit in