

And see how his gratitude swells. It isn't the flowers we strew on the grave, It's the word to the living that tells.

I will break the Senate rules in this instance by addressing another Senator in the second person. Congratulations to you, SAM NUNN. We will long wait to see someone who can fill your shoes as you have filled the shoes of that great patriarch, Richard Brevard Russell. Congratulations!

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from South Carolina.

Mr. THURMOND. Mr. President, SAM NUNN is a man of integrity, ability, and dedication. I have been on the Armed Services Committee since 1959, and I was so pleased that he joined the committee when he came to the Senate. He rendered outstanding service as a member of the committee and as chairman of the committee. He is known as an expert on defense matters. Not only in defense; he has done a fine job in every endeavor since he has been in the Senate. This country would be better off today if we had more people like SAM NUNN in the Senate and the House as well as the judicial and executive branches. I am proud of his friendship, proud to have worked with him. He has been a great citizen of America and he has rendered outstanding service of which we can all be proud.

Thank you, Mr. President.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Nebraska.

Mr. EXON. Mr. President, many of my most distinguished colleagues, including the minority leader, including the great, distinguished member and the former chairman of the Appropriations Committee and now the ranking Democrat, Senator BYRD, my very able colleague from South Carolina, the chairman of the committee, and others will follow to give their accolades to our dear friend, SAM NUNN.

I rise as a man who has worked closely with him under his tutelage for the last 18 years on many matters in the Senate and primarily with regard to the national security interests of the United States of America.

I simply wish to add my name to the accolades of others who have spoken so eloquently on this true favorite son of the State of Georgia.

SAM NUNN, you have set an example for all of us to follow while you have been here, and you are setting an example as others have set in other work for other people who are most concerned about the United States of America. Regardless of political affiliation, you have set a record for others to follow.

Thank you, SAM, for all the help you have been. You have been great for the United States of America.

I yield the floor.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Mississippi.

Mr. LOTT. Mr. President, on behalf of the majority—and, of course, our distinguished President pro tempore has already spoken—I would like to join our colleagues in congratulating the outstanding Senator from Georgia for this monumental accomplishment of 10,000 votes.

We came to Congress together in 1973. I am going to have to go back and check to see how many votes I have cast, both in the House, of course, and the Senate. But it truly is a remarkable achievement. I had no idea actually how few had achieved this mark in history. But I also concur in the statements that have been made about the tremendous contributions the Senator from Georgia has made over the years. He has really continued the tradition of leaders from Georgia, particularly in this body, the Senate, who have left an indelible mark on the history of our country.

We have all grown to respect and admire Senator NUNN, from Georgia, his integrity, his intelligence, his leadership in armed services and budget matters. It is one that we truly appreciate. I had not had an opportunity to express my admiration to the Senator and say how much I enjoyed working with him. I am glad we have at least 11 more months to work together. And I know that even though he will be leaving this body, the leadership he has provided will live on in many, many ways and we will be working together on other issues. So I congratulate the Senator on this fine achievement.

I yield the floor, Mr. President.

Mr. NUNN addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Georgia.

Mr. NUNN. Mr. President, that vote was easier cast than to respond to the aftermath. I would have to say that I was surprised. I knew that I was nearing the 10,000 mark, but I did not know I would reach it today.

I must say that to be honored in this fashion is, indeed, touching and is a reminder of how much serving in this body has meant to me. I thank my friend from Mississippi, and my friend from South Carolina, and my friend from Nebraska. I thank the majority leader, and I thank the man that is really the person we all look to to carry on the traditions and ideals of the Senate, Senator ROBERT BYRD of West Virginia.

Mr. President, I am also delighted that my friend and colleague from Georgia, Senator COVERDELL, is presiding at this special moment in my life. I think this has been a historic week not because I have cast my 10,000th vote but because we have placed in the Russell Building, named after my predecessor from Georgia, Senator Dick Russell, a statue of Senator Russell, and as the Vice President said, Dick Russell, one of the greatest Senators who ever served in this body, is now where he belongs. He is standing tall in the Russell Building.

So this is the culmination of a very historic week, and I cannot help but recall the words that Senator BYRD offered in the dedication of that statue this week when he said that he had never—in spite of the fact of serving with Senator Russell all those years, had such reverence for him; he knew him well—called him anything but “Senator Russell.”

That is a tribute that cannot be exceeded. I have used the word “ROBERT” time and time again because we are such good friends, but in that tradition I would like to address you for the rest of my days here as “Senator BYRD,” in the great respect that I have for you because in the heat of battle, when we have so many substantive differences, I think too many times all of us forget what a tremendous honor it is to serve in this Senate, which is in my mind, without a doubt, the greatest legislative body not only in the world today but in history.

We have all of our frustrations with delays and schedules, and we always have a hard time knowing what we are going to do from day to day, but when you think about the things that make the schedule so uncertain here and the things that make us so many times so frustrated are also the things that make this body unique, the right of any Senator to take the floor and continue uninterrupted as long as they choose until there is an appropriate implementation of cloture, and even then someone has to get the floor, it is a rare body. It has its distinctions from any other body in the world and I think we should always remember that.

I cannot say, I say to my friend from West Virginia, and my colleagues, that I have enjoyed every vote I have cast here. Some of them have been agonizing, as we all know. And I cannot say I have enjoyed every hour I have served here. But I can say I have enjoyed every day I have served here, and I will always cherish as long as I live my service in the Senate and my friendship with each of you. So I thank the Chair and I thank my colleagues, and I look forward to a lot more votes before my day is done.

[Applause, Senators rising.]

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

Mr. MOYNIHAN. I thank the Chair.

THE BALANCED BUDGET DOWNPAYMENT ACT, I

The Senate continued with the consideration of the bill.

Mr. MOYNIHAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

AMENDMENT NO. 3120

(Purpose: To increase the public debt limit)

Mr. MOYNIHAN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New York [Mr. MOYNIHAN] proposes an amendment numbered 3120.

At the end of the bill, add the following:

TITLE V—PUBLIC DEBT LIMIT

SEC. 501. INCREASE IN PUBLIC DEBT LIMIT.

Subsection (b) of section 3101 of title 31, United States Code, is amended by striking the dollar amount contained in the first sentence and inserting "\$5,400,000,000,000".

Mr. MOYNIHAN. Mr. President, I will remark, if I might, on the brevity of this measure, the succinctness of its purpose, which is to increase the debt ceiling of the United States from the present \$4.9 trillion to \$5.4—one should not use decimal points when referring to trillions—\$5.4 trillion. This \$500 billion increase will provide sufficient borrowing authority for the Federal Government until about the end of May 1997.

Mr. President, I offer this amendment on the circumstance of the 11th time since 1984 that the Federal Government has been in a "debt issuance suspension period," commonly known as a debt ceiling crisis. The repeated past crises of the debt ceiling, and the present unprecedented, protracted crisis that has been upon us since the debt ceiling was reached over 2 months ago, has left the Secretary of the Treasury, the distinguished Secretary Robert Rubin, with little recourse under law by which he could allow the Government to continue. But he has now stated that there are three remaining ones, with the very specific sums associated with each, and that in no circumstances can the Government meet its financial obligations after the 29th of February or the 1st of March.

What we face, Mr. President, is the prospect of default. Moody's Investors Service has placed on review for possible downgrading—those are the terms—some \$387 billion of obligations of the U.S. Treasury for interest payments falling due between February 29 and April 1, the first time in our history that the credit of the United States has been potentially brought into question by an investment advisory service.

How to scale this event? We are not going to have many people participate in this debate and not many people will be on the floor as we proceed. I wonder if there is not some apprehension about this issue that leads to a kind of avoidance.

How would you scale this prospect of default, Mr. President? I give you the typical prospect. It would be the equivalent of losing a war. We are not talking about a program. We are not talking about appropriations. We are talking about the United States of America.

The War of 1812 was perhaps the closest we ever came to losing a war. In 1814 the British seized Washington. They burned the White House. They burned the Treasury building. They burned the Capitol. But the service of the debt of the U.S. Government went forward undisturbed out of subtreasuries elsewhere, prominently New York and Philadelphia.

We were a debtor then, a debtor nation, rapidly paying off our debt. We would have none whatever by 1837. We had acquired that debt in the course of the Revolutionary War. State governments incurred this debt, and Alexander Hamilton insisted that the Federal Government assume that debt. Paying it off established the credit of the United States in Europe and in a mode that allowed us to be a great importer of capital through the 19th century as we built our industries and infrastructure.

Today we are not only a debtor once again but we are the world's largest debtor, the result, Mr. President, not of the War for Independence, but of the working out of the long-term strategy that took shape in the late 1970's designed to refashion the American National Government by dismantling its finances.

Mr. President, I spoke upon that subject on any number of times in the 1970's. In July 7, 1980, I wrote a long article for the New York Times describing it. And I said of that strategy which came to be known as starve the beast:

The Republicans' dominant idea, at least for the moment, seems to be that the social controls of modern Government have become tyrannical or at the very least exorbitantly expensive. This impression, so the strategic analysis goes, is made possible by taxation such that cutting taxes becomes an objective in its own right, business cycles notwithstanding.

And 3½ years later, with the new administration in place and a budget deficit now steadily rising, I wrote of this same subject. Might I just add, Mr. President, that on January 20, 1981, the debt was about \$900 billion. In the intervening 15 years we have added \$4 trillion.

I spoke again of this basic proposition, not easily understood, not widely even noted. The proposition is that the deficits were purposeful, that is to say, that the deficits in the President's initial budgets were purposeful. They were expected to disappear. They have not disappeared.

The then-Director of the Office of Management and Budget, Mr. David Stockman, said there are \$200 billion deficits as far as the eye can see. And in that mode, the debt was beginning to accumulate.

I put it up to the whole legislative budgetary agenda at that time. I quote—this is in the New Republic of December 31, 1983. I said:

There was a hidden agenda. It came out—hidden in plain view like pearls of a purloined necklace.

It came out in a television speech sixteen days after President Reagan's inauguration, when he stated, "There were always those who told us that taxes couldn't be cut until spending was reduced. Well, you know we can lecture our children about extravagance until we run out of voice and breath. Or we can cut their extravagance by simply reducing their allowance."

That was the pattern, starve the beast. It would be pointless to try to argue out of existence this program, that program, another appropriation. Simply make it impossible to go for-

ward because there are no funds, and indeed we looked the unthinkable prospect of default in the very face.

I wrote then that there was an alternative, that the possibility of a historical compromise was present.

Democrats might come to understand the sense of the opposing party that Government, indeed, had become too big, too interventionist, at times, indeed, an obstacle to the private lives and private fortunes of the citizenry. There is that edge, the regulatory state.

Republicans would have to understand that they could not put it in service of the political strategy, they could not put the integrity of the United States of America at risk and that compromise may finally have been reached. It has been agreed that we will balance the budget in 7 years. This will involve reducing a great many programs. It will involve preserving others.

I stand here, Mr. President, to say to the Republican Members across the aisle, "Your strategy has worked." The President, in the State of the Union message 2 days ago, declared: "The era of big Government is over." He said it not just once, he said it twice.

The debt service did it, not quite as anticipated but effectively so. The strategy has worked. I might give you a specific, and I will not be long. In 1994–1997, the period we are in, spending on Government programs is less than taxes for the first time since the 1960's. If you go back 30 years to the Kennedy-Johnson era, you will find a time when we were spending less than we collected in revenues, and at that time, a great source of concern arose for economists: the phenomenon of fiscal drag. Congress was not spending as much money as it brought in.

That changed so dramatically. The deficits of the 1980's, as far as the eye can see, continued until, in 1993, under President Clinton, we passed legislation that reduced spending and increased revenues by half a trillion dollars. After that, the deficit premium, as it is called, on interest rates declined. The anticipation that we would deal with the deficit reduced interest payments, and outlays were reduced by another \$100 billion.

So right now, revenues are running ahead of outlays, save for the debt service. The debt service has done its work. Debt has done its work, and now it seems to me, it appears to me, that we have an understanding of the reality. However little either side might like it, it is there.

Can we not go forward now to agree to extend the debt ceiling in the context of an agreement to bring about a balanced budget, not to put the United States at risk in a world in which we are the largest debtor, and our debt is held by central banks and elsewhere all around the world? To bring it into

question is to bring the fundamentals of the American Government into question as well.

I urge the Senate, I urge my friends on the other side of the aisle to declare victory and preserve the authority and integrity of the United States Government because, Mr. President, nothing less is at issue.

Mr. President, I ask unanimous consent that the two articles I mentioned be printed in the RECORD.

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

[From the New Republic, Dec. 31, 1983]
THE BIGGEST SPENDER OF THEM ALL—
REAGAN'S BANKRUPT BUDGET
(By Daniel Patrick Moynihan)

In his first thousand days in office Ronald Reagan increased the national debt of the United States by half. If he should serve a second term, and the debt continues to mount as currently forecast by the Congressional Budget Office, the Reagan Administration will have nearly tripled the national debt. In eight years, one Republican Administration will have done twice, you might say, what it took 192 years and thirty-eight Federalist, Democratic, Whig, and Republican predecessors to do once. The numbers are so large they defy any ordinary effort at comprehension (a billion minutes ago St. Peter was fourteen years dead), but for the record they are as follows. On President Reagan's inauguration day, January 20, 1981, the national debt stood at \$940.5 billion. In the next thirty-two months, \$457 billion was added. The projected eight-year growth is \$1.64 trillion, bringing us to a total debt, by 1989, of \$2.58 trillion.

Debt service, which is to say interest on the debt, will rise accordingly. It came to \$75 billion in fiscal year 1980. By the end of this fiscal year, it will be something like \$148.5 billion. And so it might also be said that the Reagan Administration will have doubled the cost of the debt in four years.

A law of opposites frequently influences the American Presidency. Once in office, Presidents are seen to do things least expected of them, often things they had explicitly promised not to do. Previous commitments or perceived inclinations act as a kind of insurance that protects against any great loss if a President behaves contrary to expectation. He is given the benefit of the doubt. He can't have wanted to do this or that; he must have had to do it. President Eisenhower made peace, President Kennedy went to war; President Nixon went to China.

Something of this indulgence is now being granted President Reagan. Consider the extraordinary deficits, \$200 billion a year, and continuing, in David Stockman's phrase, as far as the eye can see. This accumulation of a serious debt—the kind that leads the International Monetary Fund to take over a third world country's economic affairs (or in older times would lead us to send in the Marines to collect customs duties)—is all happening without any great public protest, or apparent political cost.

As such, this need be no great cause for concern. If Ronald Reagan is lucky, good for him. There is little enough luck in the business. But, unfortunately, something much larger is at issue. If nothing is done, the debt and the deficit will virtually paralyze American national government for the rest of the decade. The first thing to be done, to use that old Marxist terminology, is to demystify the Reagan deficit.

If I may say so, what I now write, I know. That is not and should not be enough for the reader. I will ask to be judged, then, by whether the proposition to be presented is coherent, and whether any other proposition makes more sense.

The proposition is that the deficits were purposeful, that is to say, the deficits for the President's initial budgets. They were thereafter expected to disappear. That they have not, and will not, is the result of a massive misunderstanding of American government. This is not understood in either party. Democrats feel uneasy with the subject, one on which we have been attacked since the New Deal. Republicans are simply uncomprehending, or, as Senator John Danforth of Missouri said in a speech on the debt ceiling in November (referring to the whole Senate, but permit me an inference), "cata-tonic."

Start with the campaign. Although we may be forgiven if we remember otherwise, as a candidate, Mr. Reagan did not propose to reduce federal spending. Waste, yes, that would be eliminated, but name a program, at least one of any significance, that was to go. To the contrary, defense spending was to be considerably increased. That was the one program issue of his campaign. It was the peculiar genius of that campaign that it proposed to increase defense expenditures while cutting taxes. This was the Kemp-Roth proposal, based on Arthur Laffer's celebrated curve. As a candidate, Mr. Reagan went so far as to assert that this particular tax cut would actually increase revenues.

What follows is crucial: no one believed this. Obviously a tax can be so high that it discourages the taxed activity and reduces revenue. This is called price elasticity and is a principle that applies to pretty much everything from the price of The New Republic to the price Justice Holmes said we pay for civilization. But any massive reduction in something as fundamental as the income tax was going to bring about a massive loss of revenue. And this was intended.

There was a hidden agenda. It came out in a television speech sixteen days after President Reagan's inauguration, when he stated, "There were always those who told us that taxes couldn't be cut until spending was reduced. Well, you know we can lecture our children about extravagance until we run out of voice and breath. Or we can cut their extravagance by simply reducing their allowance." The President genuinely wanted to reduce the size of the federal government. He genuinely thought it was riddled with "waste, fraud, and abuse," with things that needn't or shouldn't be done. He was astute enough to know there are constituencies for such activities, and he thought it pointless to try to argue them out of existence one by one. He would instead create a fiscal crisis in which, willy-nilly, they would be driven out of existence.

If his understanding of the government had been right, his strategy for reducing its size would have been sound. But his understanding was desperately flawed. There is waste in the federal budget, but it is of the kind generic to large and long-established enterprises. Thus we have an Army, a Navy, and an Air Force. They compete, they overlap, they duplicate. Well, yes. But they also fight, in no small measure because these uniforms mean something to those men and women, and have, in the case of the Army and Navy (and of course the Marine Corps, which is part of the Navy) for more than two centuries. A management consultant might merge them. I sure as hell wouldn't, except perhaps way at the top. For the rest, well, there is the F.B.I. at \$1 billion; the Coast Guard (equally long established) at \$2.5 billion, and so on. Welfare? In the sense of welfare mothers? The Aid to Families with Dependent Children program comes in at about 1 percent of the whole budget. (The Washington Post has half-seriously proposed that it be abolished altogether so that people will stop talking about it.) There are areas in the budget where expenditure is indeed growing at enormous rates, principally that of med-

ical care. But for the most part, and especially in the case of medical care, expenditure is growing at similar rates in both the private and public sectors. Large social forces are at work, not simply a peculiarly pathological tendency of government.

A notable area of miscalculation, or rather misinformation, among the Reaganites was that of foreign affairs. President Reagan has acted much as his predecessors have done in foreign affairs, and for the elemental reason that he is faced with much the same situations. Invariably, this has meant spending money. This fall the President had to plead with Congress to increase appropriations for the International Monetary Fund, something he cannot have expected ever to be doing, but there you are. As I write, the Kissinger Commission on Central America is no doubt drawing up a massive "Marshall Plan" for the area. Is there any doubt that in the next session the President will be pleading with Congress to increase this particular form of foreign aid? (Just as, had his supporters in the Senate been successful in blocking the Panama Canal treaties in the Carter years, he would be pleading today with the Senate to consent to their ratification.)

President Reagan's tax cut—the largest tax reduction in history—became law in August 1981. Critics, if they are members of Congress, typically must begin by explaining why they voted for the tax cut. I am one. (There were only eleven Senators who voted no.) I have an explanation, but no excuse.

After years of intense inflation and the accompanying "bracket creep" in the income tax, we did need to reduce personal tax rates. A year earlier, the Senate Finance Committee, controlled by the Democratic majority, had reported out just such a bill, but Mr. Carter's White House would not hear of it. This helped lose the Senate for the democrats, but the lesson was not lost.

The great recession of 1981–82 made it painfully clear that the tax cut was too small for the first year, when a neo-Keynesian stimulus was in order. At the time, however, a bidding war broke out in the House, sending the parties into senseless competition to offer loopholes to special interests. The result was a tax cut much too large for the later years. Thus the \$200 billion annual deficit. Again, no excuses from this quarter, but in the Democratic response to the President's televised speech of July 27, 1981, I did say, "In the last few days something like an auction of the Treasury has been going on . . . what this is doing is taking a tax cut we could afford and transforming it into a great barbecue that we can't afford. I would say to the President that some victories come too dear."

Enter the Federal Reserve Board which looked at the huge tax cuts in the midst of high inflation and decided to create an economic downturn. Of all the structural anomalies of American government, the arrangements for setting macroeconomic policy are the most perverse. Although fiscal policy (the amounts of money the government spends, receives, and borrows) is made through a painfully elaborate public process by an elected President and an elected Congress, monetary policy (the total amount of money in the economy and the cost of borrowing it) is made in secret by appointed officials. The Reserve Board tightened the growth of the money supply so strenuously that it actually declined in the third quarter of 1981. Real interest rates reached the highest levels in our nation's history, and the economy fell off the cliff. At the end of September 1981, the steel industry was operating

at 74.5 percent of capacity; by the end of 1982, it was operating at 29.8 percent of capacity.

To be sure, the Fed does not control the precise money supply and cannot precisely determine interest rates. But it can set the direction and range for both and this it did. Anyone who tried to dissent was soundly rapped. Its two dozen or so central bankers decided to bust the economy, and bust it they did. In a White House appearance in October 1982, Nobel Economist George Stigler used the term "depression" to describe the economy.

There is a tendency for any government to live beyond its income. The Reagan Administration transformed this temptation from a vice into an opportunity. Put plainly, under Ronald Reagan, big government became a bargain. For seventy-five cents worth of taxes, you got one dollar's worth of return. Washington came to resemble a giant discount house. If no tax would balance the budget, and no outlay would make it any worse, why try?

A boom psychology moved through government. Defense came first, from space wars to battleships—the latest defense appropriations reactivates the World War II-vintage *U.S.S. Missouri*. Hog wild is the only way to describe the farm program. Jimmy Carter left behind a \$4 billion enterprise, somewhat overpriced at that and the object of incessant right-wing criticism. Whereupon the fundamentalists and their political brethren took over. Within thirty-six months they increased the annual cost of the farm program more than fourfold. Their most recent enthusiasm, signed into law by President Reagan, is a program paying dairy farmers not to milk their cows.

What is to be done? The economy is at stake. The country can bankrupt itself. According to the latest budget projections, prepared by the Congressional Budget Office under the impeccably conservative new director, Rudolph G. Penner (formerly of the American Enterprise Institute), the deficit for the six years 1984 to 1989 will come to approximately \$1,339,000,000,000. In order to support and service this debt, the government will have to absorb more and more of the capital that is coming available in the nation's credit markets. Direct federal borrowing for the deficit and federally guaranteed loans absorbed 62 percent of all credit raised on the nation's financial markets this year, compared to an average absorption rate of 8.3 percent in the 1960s and 15.3 percent in the 1970s. This "crowding out" was not much felt, because few others were borrowing to invest. But when the day comes that business, consumers, and government all compete for the same funds, interest rates will go up, with predictable consequences.

Under these circumstances, the only thing a Republican Administration and a Republican Senate will be able to consider doing will be to revert to their original agenda: use the budget deficit to force massive reductions in social programs. This time they will be able to cite not mere illusions but necessity. Even if interest on the debt climbs to \$200 billion a year, as now seems likely, presumably there will still be an Army, an F.B.I., and some kind of customs service and border control. What then will be left to cut?

Entitlements, or more precisely, Social Security.

The word is already the rage. There is scarcely a Republican member of the Senate who does not know that entitlements must be cut, and cut deeply. Many Democrats agree; almost none dissent. Remember, at least twenty Senators are millionaires, living at considerable social distance from those who would be most affected. It will be much the same in the House. The budget def-

icit in the year ahead will threaten any sustained recovery. The members of the House, as a rule, are not millionaires, but they know their street corners. The street corners will say, "Cut. Something must be done."

Cut back Social Security in desperation, and you abandon a solemn promise of the Democratic Party and of American society. This promise, once broken, will fracture a little bit of society. (Moreover, cutting Social Security will not improve the deficit problem. As Martin Feldstein, chairman of the Council of Economic Advisers, has noted, Social Security is funded by separate payroll taxes and contributes not a cent to the deficit.)

There is an alternative. There is the possibility of a historic compromise that can bring the now dominant branch of the Republican Party to grips with reality, while shaking the now dominant branch of the Democratic Party from its illusion that no one will listen to Republicans for very long. Such a compromise cannot await a change in the political culture. It must be negotiated. We need a structure, a forum in which negotiations can take place. A Presidential commission might be such a structure.

The National Commission on Social Security Reform—on which I served—would provide a model. It was established by President Reagan in December 1981, after Congress rejected his original plan to sharply reduce Social Security benefits. One point in particular is crucial. Alan Greenspan, who chaired the commission, adopted a simple rule: each member was entitled to his own opinion but not his own facts. Within a year Mr. Greenspan had established the facts, which showed that the problem was neither trivial nor hopeless. The commission as such could reach no agreement. But with the facts established, we put together a bipartisan legislative package last January in exactly twelve days.

The budget crisis presents a harder problem, but it can be approached in the same way. Martin Feldstein made a good beginning in a speech to the Southern Economic Association on November 21. He agreed with the Congressional Budget Office that by 1988 the deficit will absorb 5.1 percent of the nation's G.N.P. Of this, Feldstein noted, 2.4 percent will come from increased defense spending, 1.7 percent from the tax cut, and the remaining 1 percent from higher interest payments. The facts about the structural deficit flow readily from such quantification.

The members of the budget commission—representatives from the Administration, Congress, the Federal Reserve, and the Congressional Budget Office—would determine the actual effects of deficits on employment, real interest rates, capital formation, investment, and the prospects for vigorous economic growth. Then they would propose the steps to reduce the deficit, making certain that the burden of these reductions did not fall disproportionately on any economic or social group. Delaying tax indexing, reforming corporate tax law deductions and credits, cutting defense spending, and reducing farm price supports, among other proposals, would have to be considered. Medicare, secure in the short term, will be in deep trouble before the end of this decade. The deficit commission must face up to this problem. Democrats should agree to do so in return for assurances that the Social Security agreement will be respected and that the Social Security trust fund will not be raided (the plain purpose of those who say entitlements are the problem).

Moreover, a solution to the deficit crisis will require more than adjustments in spending and taxation. It will demand change in the way we make fiscal and monetary policy and the way those policies are coordinated.

Monetary policy and the operations of the Federal Reserve must be an integral part of any fiscal resolution. Nothing can be achieved without a joint monetary-fiscal effort to promote an expanding economy and an approach to full employment—a one percentage point drop in unemployment alone reduces the budget deficit by \$30 billion.

But let's stop here. I have my own thoughts. The reader will have his or hers. On the final day of the last session of Congress, I introduced legislation to establish the National Commission on Deficit Reduction. Now, can we get the President to join?

[From the New York Times, July 7, 1980]

OF "SONS" AND THEIR "GRANDSONS"

(By Daniel Patrick Moynihan)

Once upon a time, before the Coming of the New Deal, there was a group of Republican Senators who were not sound men on subjects such as the High Tariff. Their names were well enough known—Johnson of California, Norris of Nebraska, La Follette of Wisconsin, Shipstead of Minnesota—but you might say their families were not. They were definitely Western, arguably Populists, and assuredly Not Quite in the Best of Taste.

In a speech on the Senate floor in 1924, an Eastern Republican, drawing on Jeremiah 14:6, referred to them as "sons of the wild jackass." The phrase was much in vogue in the brief period remaining to that era, after which Republicans generally lapsed into an undifferentiated and glum opposition.

Soon the wild jackasses were no more. But of a sudden their grandsons have appeared. In the Senate surely, and in their party generally, and the reaction has been much the same, except that this time it has come from—Democrats!

Take this business of cutting taxes. The Secretary of the Treasury was not amused. The White House received unimpeachable intelligence from the Best Sources that it was a Bad Idea. Dissenting Democratic Senators were informed that the Chief Executive Officer of the largest corporation in Delaware had reported that industry was not at all impressed by the Republican proposal, whilst the head of the Federal Reserve branch in New York City reported that The Street was definitely not in favor.

Psychologists call this role reversal. As a Democrat, I call it terrifying. And to miss it is to miss what could be the onset of the transformation of American politics.

Not by chance, but by dint of sustained and often complex argument there is a movement to turn Republicans into Populists, a party of the People arrayed against a Democratic Party of the State.

This is the clue to the across-the-board Republican tax-cut proposal now being offered more or less daily in the Senate by Dole of Kansas, Armstrong of Colorado and their increasingly confident cohorts.

It happens that just now they are "right." The economy is in a steep recession, facing a huge tax increase (windfall profits and Social Security payments, combined with the "bracket creep") next year. Certainly a \$30 billion cut in 1981 taxes is in order, and ought to be agreed on quickly, with luck using the opportunity to get better depreciation schedules for industrial investment.

But these same Republicans were calling for tax cuts in 1978 and 1979 when clearly they were "wrong"—by, that is, established standards of fiscal policy. The point is that these are no longer men of that Establishment.

The process of change has been unremarkable enough. After a half century of more or less unavailing opposition (Republicans have controlled the Congress only four years since 1930) it was possible to agree that new ideas were necessary.

Observe Bill Brock, chairman of the Republican National Committee, announcing the appearance, in 1978, of *A Republican Journal of Thought and Opinion: Commonsense*:

"We must not forget that the last great partisan coalition of American politics was built on ideas. These were no less forceful and appealing, if also debatable, for all their identification with a political party. The notion of an activist federal government, with an obligation to use its centralized power to meet new social problems with new social controls, was a new idea in the 1930s. But it took hold, built a durable coalition, became the foundation for decades of programmatic public policy, and tended to capture the terms of the political debate.

"As an idea, it had consequences. Only lately have these come to be generally understood as having mixed implications for the nation and for individuals in it. Accordingly, the Republican Party finds itself in opposition, at this writing, not only to a majority party that controls the machineries of government, but to the force of certain such idea. It is our continuing obligation, therefore—to articulate our own."

This journal has been faithful to its promise: The material is first-rate. (We Democrats have nothing approaching it.) Of a sudden, the G.O.P. gas become a party of ideas.

The Republicans' dominant idea, at best for the moment, seems to be that the social controls of modern government have become tyrannical or, at the very least, exorbitantly expensive. This oppression—so the strategic analysis goes—is made possible by taxation, such that cutting taxes becomes an objective in its own right, business cycles notwithstanding.

Similarly, "supply-side" economics speaks to the people as producers, as against the Government as consumer. Within the Republican Party this is put forth as populism and argued for as such. To be wild jackasses, to be Teddy Roosevelts, and to trust the people. Asked by a commentator whether an across-the-board tax could really lead to the needed increase in savings, a Republican Senator replied that he took for granted that the people would know what to do with their own money.

There is much G.K. Chesterton in this—indeed, Brock cites how in another passage to his introduction of *Commonsense*—who raged against the elitism of Tory and Socialist alike. Beer and Liberty, as it has been put, versus Soap and Socialism. And property for all versus the goods for all, if such goods came only from giant businesses.

And then there is also much of the Frontier in this New Republicanism. Some get plenty; and some get none. But it is surely also a challenge. For we Democrats have been in power so long we have not been able to avoid becoming in ways the Party of the Government, and it shows. The party, to be specific, of those classes and professions and enterprises, public and private, that depend on Government subvention and guarantee. With the public sector at a third of gross national product, (and the Federal share tending toward one quarter), this is no small constituency. But it is not yet a majority. And we would do well to take heed when Republicans start campaigning, as indeed they have, on platforms that they are the "party of the working man." Do us both good.

Mr. MOYNIHAN. I see my distinguished chairman of the Committee on Finance is on the floor, and I look forward to his agreement and collaboration.

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

The PRESIDING OFFICER (Mr. THOMAS). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

The Senator from Delaware is recognized.

Mr. ROTH. Mr. President, I rise to urge my colleagues to vote against this amendment to raise the debt ceiling on this occasion. Without a doubt, the debt ceiling will eventually be raised as it needs to be and as it should be in order to avoid default.

The problem with addressing the debt ceiling issue at this point is that there is some urgency in our need to enact the continuing resolution. To keep Government from shutting down, this resolution must be enacted today and it must be clean.

This CR has already been negotiated with the House, the Senate, and the White House. The President has said that he will sign this bill tonight. This is critically important to maintain uninterrupted Government services for the American people.

To open the CR now for amendment is to create an obstacle that will most certainly keep this bill from passing and result in a Government shutdown. We must reach closure today.

We will address the debt ceiling. Secretary Rubin has asked us to do so before March 1. That's over a month away. Consequently, there is no urgency to extend the debt limit now—not if it means once again shutting down the Government.

The Finance Committee is currently in discussions with Treasury regarding various aspects of this issue. And we will move forward with the debt ceiling issue when the moment serves. But not now.

The amendment violates the Constitution. Revenue bills must arise in the House, and that includes legislation affecting the debt ceiling. If we adopt this amendment, the House will blue slip the legislation, and we will be further behind than if we pass this CR and address the debt at a more appropriate time.

It is customary for Congress to consider debt ceiling legislation together with provisions to reduce the deficit. The House is in the process of fashioning such a package. The Speaker has talked with the President.

Leon Panetta has indicated the administration is willing to work on such a package. This amendment derails that effort. It is clear, then, that this amendment, even if it were legal, would not be well received in the House. Rather than achieve gridlock once again with the Moynihan amendment, we need to send this continuing resolution to the President.

Mr. President, again, I urge my colleagues to vote against the amendment to raise the debt ceiling on this occasion.

Mr. MOYNIHAN. Mr. President, may I say to my friend, the distinguished

chairman—and I understand his reasons full well, and they are wholly appropriate—what separates this moment from others in the past is that the full faith and credit of the United States is even now being questioned in international markets. That has never happened. It has not happened since 1792 when Hamilton worked out the assumption of the State debt.

I think the fact that the President and the Republican leaders in the House and here in the Senate have come to an understanding that there will be a balanced budget agreed to—and the distinguished chairman of the Budget Committee was there—that should be enough for us to say that will happen. And, incidentally, do not for a moment ever think that the United States would default on their debt. That is all we seek in the spirit of good will.

I point out that the budget agreement, already tentatively marked up, cuts domestic discretionary spending of the Federal Government by one-third in 7 years. David Stockman, in his moment of the utmost optimism, could never have conceived that such an amount of drastic reduction would not only be agreed to but hardly remarked upon. The era of big Government is, in fact, over. But the era of default, bankrupt Government, surely must not commence.

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. DOMENICI. 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. DOMENICI. Mr. President, the Senate can be assured that I want to expedite the vote on this issue as much as anyone else. So I will be very brief. There are some people in the country that are concerned about the full faith and credit that has been such an advantageous thing for our Treasury bills and the financing of our debt. Our Treasury bills have been almost the greatest currency in the world. They are the money market in many parts of the world. Certainly, it does not behoove the Senate or the U.S. House, Democrat or Republican, to do anything to tarnish that.

But I believe today the issue before us is: Shall we open the Government, pay our workers, and get on with the ordinary daily activities of the Government and, at the same time, assure the marketplace and those who are concerned that there is no intention on the part of those on this side of the aisle that are in a position during the next 4 or 5 weeks to get that debt limit extended, and that there is no intention on our part that we let the Treasury bills of the United States go into default?

I stand before the Senate because some of those people that are influenced by our actions are, from time to time, interested in my opinion and my views. Frankly, I am saying tonight that I think we ought not cause the Government of the United States to be closed down even for 24 hours while we add an amendment that is not necessary tonight.

We are saying as strongly as we can—I have been with our leader; there is no intention to do anything other than to work with the President to extend the debt limit. I cannot say here to Senator MOYNIHAN that it will be absolutely a clean debt limit, but I can say there is an intention to extend it in a way that would be signed by the President.

I remind everyone it would be almost historic if in this kind of a situation you had a clean bill. There would be some things worked out between the White House and the Congress. It is always a vehicle that sends some things to the White House that get done that everyone wants done. I do not believe we ought to leave the notion out there in America that if this proposal of Senator MOYNIHAN is tabled, and I hope it is tabled, that there is any intention to do anything but have a debt limit extension in an orderly and timely manner.

Mr. WARNER. Mr. President, I thank the distinguished Senator from New Mexico and the distinguished Senator, the chairman of the Finance Committee, because I have risen in both our caucuses here recently and expressed my grave concern about this issue of the full faith and credit of the United States, how that could be combatted by the actions with relation to the debt limit.

I, like the distinguished Senator, the chairman of the committee here, feel very strongly, as does the Senator from Delaware and the Senator from New Mexico, that we cannot shut down the Government tonight.

I ask unanimous consent that two editorials on this subject be printed in the RECORD.

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

[From the Plain Dealer, Jan. 24, 1996]

HITTING THE DEBT CEILING

It is all well and good for House Republicans to fight hard for their budget priorities. But using the good faith and credit of the United States government as a weapon in that fight is short-sighted and dangerous. It is also likely to backfire.

Until very recently, at least a few top House Republicans seemed to understand this. Both House Speaker Newt Gingrich and Budget Committee Chairman John Kasich had signaled a willingness to pass legislation that would allow the government—which will soon reach its credit limit—to borrow more money to avoid default. But on Sunday, House Majority Leader Dick Armey took a different tack.

Speaking on NBC's "Meet the Press," Armey said Congress would not increase the debt ceiling unless conditions were attached. The conditions, he said, would have to ad-

vance the GOP agenda of "decreasing the size and the intrusiveness of government."

The next day, Gingrich adjusted his tune to harmonize more closely with Armey's. To get a debt-ceiling bill from Congress, Gingrich said, President Bill Clinton will have to propose "substantial reforms" in future spending.

However much dissent there may still be in Republican ranks, clearly some party leaders are again embracing the notion that the goal of forcing an ideologically palatable budget deal warrants dramatics of the highest order. That is troubling.

Though deficit-reduction and long-term entitlements reform are supremely worthy ends for Republicans to pursue, they do not justify any means. Forcing the U.S. government to default on its obligations is irresponsible. It is bad policy and bad politics.

The price of a default—which could include a dive in the stock market, a leap in interest rates, and a worldwide ripple of doubt about the reliability of U.S. securities—is simply too high. If the goal of the most ardent GOP budget cutters is to promote America's long-term economic well-being, they defeat their purpose if they ruin America's credit rating along the way.

It is not hard to understand why some House Republicans would be feeling acutely frustrated these days. Not only has budget-making become mired in an extended state of indecision, but numerous policy initiatives have become stuck. . . .

[From the Chicago Tribune, Jan. 24, 1996]

THE MADNESS OF COURTING DEFAULT

For months, Treasury Secretary Robert Rubin has used every loophole and opening he could find to extend the government's borrowing powers and keep Republican lawmakers from using the debt ceiling to muscle budget concessions out of President Clinton.

But now, Rubin says, he has run out of options that are legal and acceptable to Clinton. Unless Congress raises the debt ceiling, he warns, the nation will for the first time in its history default on its debts—probably by March 1.

Don't worry, some cynics say. Rubin has more tricks up his sleeve and will do anything to avoid default.

Start worrying, say others. The Treasury is at the end of its line, and House Speaker, Newt Gingrich won't raise the debt ceiling unless Clinton agrees to some GOP-proposed reforms on entitlements or welfare. The president insists he won't be blackmailed.

Wherever the truth lies, it's time to stop this reckless gamesmanship. It's one thing to reach an impasse over how to balance the budget and agree to take the issue to the voters, which both Democrats and Republicans seem content to do. But it's totally irresponsible to jeopardize the credit of the United States.

Congress' primary concern in the weeks ahead must be to protect the reputation of the nation as a rock of financial stability and as a debtor that always has honored its obligations. Despite their frustration at being stymied on budget reforms, Gingrich and the Republican hard-liners must pass an extension of the debt ceiling, without extraneous conditions.

So far, the financial markets haven't been roiled by the budget gridlock in Washington. And no one can be sure what default, or even the imminent threat of it, could mean to the economy and markets. But it couldn't mean anything good.

Felix Rohatyn, the respected investment banker who is being considered by the Clinton administration for vice chairman of the Federal Reserve Board, wrote recently that

it "could create a catastrophe." Politically, the rest of the world would think America's institutions had collapsed and the country was no longer governable. Financially, because more than \$500 billion of the nearly \$5 trillion in U.S. debt is held overseas, a default could "trigger a global financial crisis of completely unpredictable proportions."

Mr. WARNER. As I understand, both Senators are giving the assurance to the Senate that we will, in an orderly manner, work this thing out in a manner that will not have an adverse impact upon the financial markets of our Nation. I believe the Senator is giving that assurance.

Mr. ROTH. I say to the distinguished Senator from Virginia, that is exactly what we are doing. We are acting in a responsible way today; we are taking action that will ensure that the Government can continue to function, which I know is of primary interest to our distinguished Senator from Virginia. That is the reason we do not want it to be amended further. That would only delay the process and bring about the shutdown that I think no one wants.

As a second step, we are working already, together with the House, with the administration. I was in contact yesterday with the Secretary of the Treasury. We are proceeding to do something about the debt ceiling because I, like Senator WARNER, want full faith from the President. So we are working to provide the type of legislation that meets everybody's requirements and can be enacted by the Congress.

Mr. WARNER. I thank the distinguished Senator from Delaware. Yesterday we had a discussion about this in our caucus, and he responded in a way similar to that of today.

Mr. MOYNIHAN. Before yielding to the distinguished Senator from Rhode Island, may I welcome the statements by the chairman of the Committee on Finance and the chairman of the Committee on the Budget. I take them wholly with integrity and give them the full faith and credit of the U.S. Senate.

I have to point out that we have not always had as good an experience on the House side. A Member on the House side, the counterpart to the distinguished chairman of the Budget Committee, once openly said, "Let's do this," and then disappeared. We cannot put the United States, the integrity of the United States of America, at risk this way with complete understanding of the Senator from Virginia's concern that the Federal Government stay open. I still hope we might have a vote on this. I do not want to prolong matters.

The Senator from Rhode Island has risen. I yield 3 minutes.

Mr. PELL. Mr. President, I wanted to rise in full support of the amendment by the distinguished Senator from New York. If ever there was a valid reason for stalling an increase in the debt limit, I believe it has evaporated. The basic agreement has been achieved on

the objective of controlling the deficits that contribute to the debt.

While policy disagreements still persist on some issues, including Medicare, there appears to be sufficient agreement on other budget issues to provide \$700 billion in long-term savings. Surely, there has been more than adequate demonstration of good faith.

The apprehensions of Moody's Investor Service with respect to the credit rating of the U.S. Federal securities should dispel any glib assurances that the Secretary of the Treasury can still perform acts of fiscal wizardry to stay under the present limit.

We can only wonder what the motive might be of those who would delay further. There is no good purpose economically or fiscally.

I want to commend the Senator from New York for raising this matter and bringing the amendment to the floor. The full faith and credit of the United States should not be clouded for another single day, and the Senator from New York is acting responsibly. I yield the floor.

Mrs. BOXER. Mr. President, I rise today to voice my support for the amendment offered by Senator MOYNIHAN to attach a clean debt limit extension to the continuing resolution. Congress must not play politics with the full faith and credit of the United States. We must extend the debt limit within the next 5 weeks or the consequences will be catastrophic.

If we fail to raise the debt limit by March 1, the United States will default on its financial obligations for the first time in the history of our Republic. As a result, bondholders will not receive the payments they are due. Social security recipients and veterans may not receive their monthly benefits, and long-term interest rates will increase across the board.

Interest rate increases mean that the United States will waste billions of dollars on increased debt service costs, ironically, making it even more difficult to balance the budget. But perhaps most important, higher interest rates mean that the millions of Americans with any kind of loan—mortgages, car loans, even credit card balances—can expect higher monthly payments for years to come.

I would urge my colleagues to heed the words of former Treasury Secretary James A. Baker, who stated in 1985, "It would be an absolute disgrace if the United States defaulted for the first time in its over-200-year history. Any default will have swift and severe implications both domestically and internationally."

On November 9, 1995, six former Secretaries of the Treasury, who served in Democratic and Republican Presidential administrations, wrote, "We urge that prompt action be taken either to raise the debt limit permanently * * * or that a sufficient short-term increase be enacted to allow the debate over priorities to proceed in an orderly manner without impairing

market confidence in our Nation's commitment to discharge its obligations."

Alan Greenspan, Chairman of the Federal Reserve, has written, "a failure to make timely payment of interest and principal on our obligations for the first time would put a cloud over our securities that would not dissipate for many years."

Furthermore, former Chairman of the Federal Reserve Paul Volker wrote that "The appropriate approach, short of early agreement on a comprehensive budget program * * * [is] raising the debt ceiling so that authorized expenditures—including payment of interest on Treasury debt—can be made in a timely fashion."

In addition to these current and former leaders of the Treasury Department and the Federal Reserve, leading credit agencies have warned of the dire consequences of default. Standard & Poors has warned, "Even a short-lived default on the U.S. Government's direct debt obligations would profoundly impact a broad range of securities and financial market participants."

Again, Mr. President, I thank the Senator from New York for offering this very important amendment.

Mr. DOLE. Mr. President, let me reinforce the statement made by the chairman of the Finance Committee, Senator ROTH. I have been meeting with Republican Senators throughout the afternoon. We are, I think the Senator from New York would appreciate, acting in good faith. We believe we can resolve this.

Having been chairman of the Finance Committee and having to deal with debt ceilings, I know there is always a problem. When there is a Republican in the White House, the problem is on that side of the aisle; when there is a Democrat in the White House, the problem is on this side of the aisle, the problem as far as the administration is concerned.

I remember going to conference with amendments on Nicaragua. I think there were 19 amendments—foreign policy, everything you could think of was on the debt ceiling. I assure the Democratic leader on the floor and the former chairman of the Finance Committee, as I did Secretary Rubin the night of the State of the Union Message, we believe we can get this done in a timely fashion so no checks will be late, nothing will be interrupted in any way.

Having said that, as one who did not favor the shutting down of the Government in the first place, I do not think we ought to risk doing it on a Friday afternoon. If this amendment should be accepted, it has to go back to the House. The House is in recess. I assume they could come back Sunday or whenever.

I really believe we have an agreement here that has been approved by the White House and by the leadership in both parties, in both the House and the Senate. I hope we will not make it

more difficult by—I know that is not the intent of the Senator from New York, do not misunderstand me, but I think it would make it more difficult. I know that is not the Senator's intent. I respectfully move to table the amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table.

The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Utah [Mr. BENNETT], the Senator from Colorado [Mr. CAMPBELL], the Senator from Indiana [Mr. COATS], the Senator from North Carolina [Mr. FAIRCLOTH], the Senator from Texas [Mr. GRAMM], the Senator from Arizona [Mr. KYL], and the Senator from Alabama [Mr. SHELBY] are necessarily absent.

I further announce that, if present and voting, the Senator from Colorado [Mr. CAMPBELL] would vote "yea."

Mr. FORD. I announce that the Senator from South Carolina [Mr. HOLLINGS] is necessarily absent.

The PRESIDING OFFICER (Mr. NICKLES). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 46, nays 45, as follows:

[Rollcall Vote No. 2 Leg.]

YEAS—46

Abraham	Grams	McConnell
Ashcroft	Grassley	Murkowski
Bond	Gregg	Nickles
Brown	Harkin	Pressler
Burns	Hatch	Roth
Chafee	Hatfield	Santorum
Cochran	Helms	Simpson
Cohen	Hutchison	Smith
Coverdell	Inhofe	Snowe
Craig	Jeffords	Stevens
D'Amato	Kassebaum	Thomas
DeWine	Kempthorne	Thompson
Dole	Lott	Thurmond
Domenici	Lugar	Warner
Frist	Mack	
Gorton	McCain	

NAYS—45

Akaka	Feingold	Lieberman
Baucus	Feinstein	Mikulski
Biden	Ford	Moseley-Braun
Bingaman	Glenn	Moynihan
Boxer	Graham	Murray
Bradley	Heflin	Nunn
Breaux	Inouye	Pell
Bryan	Johnston	Pryor
Bumpers	Kennedy	Reid
Byrd	Kerrey	Robb
Conrad	Kerry	Rockefeller
Daschle	Kohl	Sarbanes
Dodd	Lautenberg	Simon
Dorgan	Leahy	Specter
Exon	Levin	Wellstone

NOT VOTING—8

Bennett	Faircloth	Kyl
Campbell	Gramm	Shelby
Coats	Hollings	

So the motion to lay on the table the amendment (No. 3120) was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the motion to lay on the table was agreed to.

Mr. MOYNIHAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, I would like to thank all of those who have participated in the debate. I would like particularly to thank the chairmen of the Committee on Finance and the Committee on the Budget for the undertakings that they have made, and to say again that I hold them in full faith and credit of the United States. I think we can work this out, and clearly we intend to do so. It can be done.

Mr. LEAHY. Mr. President, I assume one of the votes that we will have today will be the continuing resolution. The fiscal year 1996 Foreign Operations conference report has been attached in its entirety to this continuing resolution. That means that foreign aid programs will be funded through the fiscal year at the levels agreed to by the House and Senate conferees.

The conference report represents a devastating assault on many foreign operations programs that are vital United States interests abroad. For that the House Republican leadership bears primary responsibility. But our alternative, a year long continuing resolution, would be far worse. It would cause irreparable harm to these programs and many of the Federal employees who implement them would have to be laid off. For that reason it is essential that this conference report be enacted into law.

The conference report funds a wide range of activities that are strongly supported by both Democrats and Republicans. Although I believe the funding provided for many programs falls far short of what is required to effectively combat global threats to the American people—whether it is environmental pollution, the spread of infectious disease, unchecked population growth, political and economic instability caused by enormous numbers of people living in abject poverty, the growing problem of international crime and terrorism, and the proliferation of nuclear and conventional weapons, it is better than no funds at all.

On a more positive note, it also contains a provision of special importance to me, which was passed by two-thirds of the Senate, Republicans and Democrats, to impose a moratorium on the use of antipersonnel landmines.

Since the NATO operation began in Bosnia just a little over a month ago, over 20 NATO soldiers have been injured or killed by landmines, including 1 American. That is in addition to the 225 UNPROFOR landmine casualties in Bosnia, and the thousands of civilian landmine victims, since the war began 4 years ago. Of the estimated 100 million unexploded landmines in the world, 6 million are in the former Yugoslavia. Landmines are killing and maiming an average of one person every 22 minutes, every day of the year.

My amendment aims to put the United States in the forefront of the effort against these inhumane weapons. It follows by just 1 week the announcement by the Canadian Government that it will unilaterally halt all production, use and export of antipersonnel landmines. In just the past year, Belgium, France, Austria, Switzerland and the Philippines have taken similar steps.

It follows by just 2 weeks the announcement in Geneva that 22 nations have called for an immediate total ban on these weapons.

Mr. President, this amendment represents a dramatic shift in the policy of the U.S. Government, from one which has lagged behind several of our NATO allies to one which aims to exert U.S. leadership to build international support for ridding the world of these inhumane weapons.

That is the goal President Clinton announced at the United Nations over a year ago. This amendment sets the stage for making that goal a reality. Once this provision is signed into law, the President, the Vice President, the Secretary of Defense, the Chairman of the Joint Chiefs of Staff, the Pentagon bureaucracy, the Secretary of State, and our U.N. Ambassador should all speak forcefully and with one voice. The message should be that antipersonnel landmines are unacceptable. They are indiscriminate, inhumane, impossible to control, and the United States is going to stop using them and do whatever we can to convince other governments to join with us in making their use a war crime.

Mr. President, the one amendment in disagreement in the Foreign Operations conference report which deals with international family planning has also been resolved, but I want to be sure Senators understand what the House has done. Essentially, the House has presented us with a fait accompli. The choice is either take their offer on the amendment in disagreement, with no opportunity to amend it, or the entire Foreign Operations budget, with none of the policy language, will be governed by a continuing resolution.

I know that the distinguished chairman of the Appropriations Committee, Senator HATFIELD, is as frustrated about this as I am. I certainly intend to do whatever I can to resist these heavy handed tactics in the future. But given the choice, we have no alternative. A year long CR at either the House level or 75 percent of fiscal year 1995 levels would be far worse for many important programs.

Our conference report categorically prohibits the use of any funds for abortion. Yet the House, at the behest of the right-to-life lobby, would cut \$88 million from programs that have only one purpose—to give couples the means to avoid unwanted pregnancies and reduce the incidence of abortion. Why anyone would want to do that is beyond me, but that is what the House has done. Anyone who wants to see

fewer abortions, and fewer women die from botched abortions, should deplore this action.

The provision in this CR would prohibit the obligation of any family planning funds—funds to purchase and distribute contraceptives, to provide technical assistance for improving the quality and safety of contraceptives, to educate couples about birth spacing—none of these funds could be spent before July 1 unless they are specifically authorized.

If there is no authorization bill by that date, and I have yet to meet anyone who thinks there will be, only 65 percent of the fiscal year 1995 level for family planning could be obligated, and then only in monthly installments. The net effect of this will be an \$88 million cut in family planning assistance.

That is the pound of flesh the right-to-life lobby will have won, if it does not succeed in its goal of reinstating the Mexico City policy—a policy that has been ridiculed around the world, repeatedly rejected by the Senate, is opposed by a majority of Americans, and which the President has said he would veto.

I am very pleased that we successfully resisted attempts to reinstate the discredited Mexico City policy. I will continue to oppose any effort to do that. But I will vote for this continuing resolution only with great reluctance, because of the harm it will do to family planning.

If I thought there was any way to amend this provision without jeopardizing the entire conference report, I would not hesitate because I know a majority of the Senate would support me. Indeed, a majority of the House would too—although perhaps not a majority of House Republicans—but the House Republican leadership would never have the courage to put it to a vote.

Mr. President, the United States has been a leader in the effort to stabilize the world's exploding rate of population growth. Tens of millions of people are born into abject poverty every year, but today we are cutting programs to give couples the means to avoid unwanted pregnancies. Anyone with an ounce of brains can see that the logical result will be more abortions, not less. That is what the right-to-life lobby, and their defenders in the House have accomplished.

Mr. President, I want to thank Senator MCCONNELL, for his efforts to get this conference report enacted. I also want to pay special tribute to Senator HATFIELD, who has been a strong supporter of funding for family planning assistance and who played a central role in the negotiations with the House over the past few days.

INTERNATIONAL FAMILY PLANNING

Mr. FEINGOLD. Mr. President, of the many controversial issues in the continuing resolution we are considering today, few have been as contentious as

the debate about international population programs in the foreign operations appropriations bill. Astoundingly, the entire foreign aid bill has been held up for months by several antichoice Members, mainly in the House, who have, illogically, sought to impose restrictions concerning abortion on international family planning assistance.

These misguided provisions are not included in today's CR. Instead we are faced with provisions withholding population funds until July 1, unless there is an authorization, and then limiting funding for the program to 65 percent of today's levels. It is a victory for those of us who are prochoice on the question of abortion, but not very good news for those of us—presumably the vast majority of the Congress, and including most of the people who fought against the original Senate provisions—who support family planning. What a bizarre, if not ridiculous, situation we are in today.

As my colleagues will remember, in the name, supposedly, of stopping abortion, the House sought to prohibit U.S. contributions to the United Nations Population Assistance Fund, and reimpose the regressive Mexico City policy on population. Of course, such propositions would not do anything to reduce incidents of abortion, but would actually harm efforts to increase family planning assistance—the best remedy, obviously, for avoiding abortion. Fortunately, these anti-abortion restrictions have all been stripped from the foreign ops bill, and population assistance will not be hindered by irrelevant but damaging restrictions. In that, we have succeeded, finally, in separating population assistance from abortion, and have scored a victory for family planning. The Mexico City policy has been rebuffed by the 104th Congress, and our support for the work of the UNFPA has been reaffirmed.

But, Mr. President, the cause of curbing abortion will not be served well by the cuts in population assistance legislated in this bill. In fact, the only inroads the antifamily planning forces made today was in taking gratuitous and harassing shots at the budget for population. While other programs will be held to 75 percent of current funding levels, population programs will be funded at only 65 percent of today's budget. The money will not be distributed until July 1, and even then, it will be apportioned only on a month-to-month basis. Mr. President, this is nothing more than a formula for disarray, and will do nothing to achieve the goals of its sponsors.

Who really believes that the rapid, exponential growth of the world's population—regardless of our positions on abortion—does not impact American interests? Population pressures are a linchpin of so many global concerns, such as economic development, health, food security, migration, environment, and improving the status of women. Through the U.S. bilateral population

program, as well as our contribution to the UNFPA, we have affected significant successes in all those fields.

It is beyond me—and saddens me—that these issues have been entangled in a debate about abortion. It reflects a fundamental misunderstanding that family planning and abortion are not the same. Supporters of family planning have been subjected to charges and insinuations that we support China's appalling coercive abortion policy; that we want to fund lobbies that promote pro-abortion policies worldwide; and that we actually want to promote abortion as a method of family planning. All these propositions are untrue, and are in fact red herrings. I'm pleased that they have been recognized as such, and dropped in the final provisions of this bill.

Unfortunately, however, the presumptions that underlie this thinking—that family planning is somehow not essential to curbing abortion—are prevailing in this bill. Population assistance should be treated just as any other foreign aid account, and by subjecting it to deeper cuts, and odd distribution guidelines, no one's goal is being reached.

THE EFFECTS OF THE CONTINUING FUNDING RESOLUTION ON THE ENVIRONMENTAL PROTECTION AGENCY

Mrs. BOXER. Mr. President, this morning Administrator Carol Browner of the Environmental Protection Agency testified before the Senate Appropriations Committee on the consequences of this continued funding resolution. She said that it: "represents a severe cutback that will not allow us to adequately protect public health and our environment. Our air, our water, our land, will not be as safe".

The cuts in this continued funding resolution compromise our Nation's public health and environment. This bill appropriates 5.7 billion dollars for EPA—that's a 14-percent cut—or nearly one billion dollars from the fiscal year 1995 level. It's a 22.5 percent cut—or 1.7 billion dollars—from the President's fiscal year 1996 request.

Mr. President, the cuts to the Environmental Protection Agency in this bill mean that an already stretched agency will not be able to carry out critically important work that ensures the health and safety of all Americans, and will result in a set-back of national efforts to ensure that every American citizen breathes clean air, drinks clean water, and is safe from the dangers of hazardous waste. These are the EPA funds that are spent working with States and municipalities in the development of our air quality, water quality, lead abatement, and food safety standards; the funds that allow EPA to keep track of the level of pollution in our air, our water, our food, our environment; that allow the EPA to work with states and with industries to help them discover the sources of pollution problems and helps they comply with Federal safety standards; that allow

the EPA to give technical assistance to State pollution control agencies and county air and water quality boards; that allow the EPA to carry out environmental impact statements on industry actions that may hurt the environment; that allow EPA to work all over this country to educate industry and small business and help comply with the law so that enforcement actions are avoided. In the long run this will mean more water pollution, more smog in our cities and countryside, more toxic waste problems. For example funding cuts are seriously jeopardizing cleanup of 12 toxic superfund sites in and around the Los Angeles area including the Newark San Bernadino site and San Gabriel sites.

Republicans seem to take great pride in their efforts to dismantle key social programs that Americans hold dear, but they have chosen to take their war against the environment underground. The cuts to the EPA budget show us the covert war that is being waged by Republicans against our environment. It has to be covert because they have seen the results of poll after poll showing that the vast majority of Americans feel that our environmental laws should be strengthened not stripped away. In my many years in public office not once has anyone told me, "Senator, our air is too clean," or "our water is too safe." The back door attack on our environmental laws seen here is cuts in EPA's budget that will cripple EPA's ability to set and enforce environmental standards.

This continued funding resolution cuts enforcement of all environmental programs by 14.6 percent, \$77 million from fiscal year 1995. It hits at the heart of EPA administration and management in EPA's ability to set and enforce environmental and public health standards with a 7-percent cut, \$115 million from fiscal year 1995.

This bill also cuts EPA's budget in other crucial areas: A 9-percent \$110 million cut from fiscal year 1995 in funds that go straight to the States to help cities all over the country build sewage treatment plants that keep raw sewage from flowing into our coastal waters, rivers, lakes, and streams.

A 79-percent; \$1 billion cut from the pre-rescissions fiscal year 1995 level in funds that go to States to protect our drinking water nationwide.

A 13-percent; \$168 million cut from fiscal year 1995 in funds that go toward cleaning up hazardous waste sites.

Mr. President, it is for all these reasons that I am very distressed at having to have to vote for this continuing resolution.

Mr. LEVIN. Mr. President, I cannot support the continuing resolution which is before the Senate today. This resolution cuts education funds to the House passed level, except for those programs that were not funded by the House in which case they are cut by 25 percent. If we were to extend this continuing resolution for the remainder of the fiscal year, the impact would be an

unprecedented \$3.1 billion cut in education funds from the fiscal year 1995 funding level. And, it contains deep cuts in a range of important domestic priorities, like a 25 percent reduction in the funds to put 100,000 cops on the streets of America. This in a year in which \$7 billion more has been appropriated in defense spending than the Pentagon asked for.

We are presented on the last day before funding once again runs out for these agencies of the Government and for their programs with a continuing resolution that makes deep cuts in vital and proven education programs.

The failure to support a simple continuing resolution that adequately funds education programs at fiscal year 1995 levels is creating serious problems for schools, teachers, and students. Our children—America's future—are the innocent victims of this retreat from education. Here are just a few examples, Mr. President, of the devastating impact if the funding level in this continuing resolution is continued through the remainder of the fiscal year.

The \$1 billion cut in title I funding will deny 1.1 million educationally disadvantaged children the crucial help they need in reading, writing, math, and critical thinking.

The Safe and Drug Free Schools Program in almost every school district in the country—more than 14,000—is cut by 25 percent, \$115 million less than the fiscal year 1995 level of \$466 million. These programs help schools reduce drug abuse and prevent violence.

The innovative School-to-Work Program, which helps youths make the transition from school to future careers and education by forming a three-way partnership between Government, educators, and private industry is cut by \$55 million.

The \$93 million cut in Goals 2000 comes at a time nearly 17,000 schools and communities have already completed planning and are beginning to implement comprehensive reforms based on their own academic standards and will deny funding to programs serving over 5.1 million children.

The Eisenhower Professional Development Teacher Training Program, which supports State and local efforts to better prepare educators to reach high standards in core academic subjects, such as mathematics and the sciences, is cut by 25 percent or \$63 million.

Mr. President, the impact of this continuing resolution will be immediate and long-lasting because of the way in which school budgets are set. Now is the time for teacher contracts to be signed. Schools must by law send layoff notices to teachers as early as March and April, advising them they will not be rehired in the fall, but communities cannot make these decisions because the funding is uncertain. Plans for professional development, technology purchases, training, and school safety programs could be delayed or eliminated.

Now is the time for cities to submit their school budgets, but they cannot adequately do this because they do not have any numbers to work with. Now is the time for colleges to project what aid they will have to offer newly enrolled students, but they cannot make funding projections because they have not been told how much they are going to have to offer students. If students cannot be assured they will have financial aid, many will have to forgo plans to go to college.

The strategy of causing Government shutdowns and threatening to raise the debt ceiling, thereby threatening the credit rating of the United States, has been inappropriate and discredited. We are told by the majority that there is no longer a quorum available in the House of Representatives, so we cannot amend this continuing resolution. The implication is that we have to accept these cuts and make no adjustments, otherwise the Government would be shutdown tomorrow—the third time this year. Again, we are painted into a corner. Well the House can return to work at the call of the Speaker. If we do the right thing by education, they can quickly do so too.

I think we should reject this bill which does not reflect priorities, particularly in education and the environment. The Congress should stay here, all night, all weekend, if necessary, and work out and adopt a clean continuing resolution with adequate domestic funding and a clean bill to raise the debt ceiling so that the credit rating of the United States is not in doubt for weeks to come.

Ms. MOSELEY-BRAUN. Mr. President, I want to say at the outset that our Federal employees, our financial markets, and our economy in general, should never have been subjected to the risks created by shutdowns, threats of shutdowns, and the failure to act responsibly with respect to the debt ceiling. Hostage-taking and legislative blackmail is not the way to arrive at the kind of solution we need to solve our budget problems.

I am a firm believer in tightening our Government's fiscal policies and will continue to work toward that end. I am convinced that restoring budget discipline will help ensure that our children—and future generations—will be able to achieve the American Dream. We have an obligation to our children to protect their future opportunities, and not to leave them a legacy of debt.

But passing one short-term funding bill after another—one every few weeks or so, is not the way to do it. This is unfair to our students who want to pursue educational opportunities. It is unfair to our science community whose research is interrupted. It is unfair to Government employees who want to work. And it is unfair to all others who depend upon the appropriations contained in these bills.

Of the 13 appropriations bills Congress is supposed to pass every year, 6 are still undone even though the fiscal

year is almost one-third over. Nine Federal Cabinet departments have been without fully approved spending plans.

Now, 4 months into the fiscal year, we are considering a fourth extension. Mr. President, it's time to act on these appropriations bills—not just by temporary extension, but by getting them passed. We should not hold these six appropriations bills hostage in the name of balancing the budget.

It is ironic, isn't it, that the activities financed by these uncompleted appropriation bills, or what is also known as domestic discretionary spending, is not the part of Federal spending that has caused the budget crisis the Federal Government is facing. Discretionary spending is not the sole problem. Domestic discretionary spending has not grown as a percentage of the GDP since 1969, the last time we had a balanced budget. Domestic discretionary spending comprises only one-sixth of the \$1.5 trillion Federal budget, and it is steadily declining.

Every dollar of Federal spending must be examined to see what can be done better, and what we no longer need to do. However, the budget cannot be balanced by looking in this one area, no matter how large the cuts.

We are debating issues that have little or nothing to do with balancing the budget.

The budget proposed by the majority party calls for \$349 billion in savings from discretionary spending, but that comes from a portion of the budget that constitutes only 18 percent of the overall Federal budget—the part of spending that is not growing and the part of the budget that funds education and police and basic services we all count on. This part of the budget is not the major source of our deficit problem. We need to focus our savings on those areas of the budget that don't conflict with our priorities and values.

How we bring back fiscal discipline makes a real difference. If we care about our children, if we care about our future, if we care about our Nation and ensuring an opportunity for every American to achieve the American Dream, we cannot abandon our commitment to education, access to health care, and to creating economic opportunity.

That is why I cosponsored and voted for Senator KENNEDY's education amendment because I believe that we should meet our obligation to our children and to the future. If the current CR were extended for a full year, education funding would be cut \$3.1 billion below last year's level. Illinois would lose \$72.4 million, including a \$54 million cut in title I funding.

Continuing to fund education programs at 75 percent of their 1995 levels will, at some point, simply become a 25-percent cut in education funding. Schools that are trying to plan for the coming year will soon have no choice but to assume a 25-percent cut and plan accordingly.

There are scientists at my alma mater, the University of Chicago, and

at universities all throughout the Nation, who are awaiting approval of their grants because the National Science Foundation and NASA do not know how much money is available and cannot make decisions about grant awards.

Health and safety inspections at public housing may be forced to cease. In Chicago last week a tragic fire took four lives; HUD couldn't check fire alarms due to budgetary uncertainty.

The Fish and Wildlife Service will experience delays in issuing wetlands permits—Illinois already has a backlog of permit requests from the last shutdown that is 8 feet tall.

Furthermore, there are five Superfund sites in Illinois, including Waukegan, Rockford, and East Cape Girardeau, that will experience delays in cleanups.

Mr. President, these are just a few examples of how my State will be affected. We need to move to a balanced budget. And we need to do it in a way that does not sacrifice the long-term goals of the American people to achieve illusory short-term cuts. We need a budget that restores fiscal discipline to the Federal Government. We need a budget based on the realities facing Americans. Most importantly, we need a budget for our future.

I believe that we can achieve that kind of budget, if we put aside partisan bickering and political point scoring, and if we get down to the work the American people elected us to do.

I will reluctantly support this bill not because it's the answer but because we must avoid a shutdown. I hope we will use the next 45 days that this CR gives us to reach the kind of overall permanent budget agreement that the American people want and deserve.

INTERNATIONAL FAMILY PLANNING

Mr. KENNEDY. The continuing resolution being considered will severely undermine the Nation's support for the International Family Planning Program. According to the terms of the CR, the International Family Planning Program will receive funding at only 65 percent of its fiscal year 1995 level. Also, program administrators will be forced to spend money in predetermined monthly allotments. Let's not pretend that any program can work efficiently and effectively in this manner.

We all know the purpose of this provision—the elimination of the International Family Planning Program. Opponents of abortion apparently believe that less family planning will lead to fewer abortions. Nothing could be farther from the truth.

We know that abortions are reduced when family planning services are available. This CR will lead to serious reductions in family planning. The effect will be an increase in abortions in other nations. Our colleagues opposed to abortion should not be encouraging this result.

International family planning is also good international health care policy.

By providing a wide range of services and information, family planning makes a difference to millions of women around the world. It is estimated that approximately 300 million women will require family planning services in the next decade. It is estimated that such services can prevent 125,000 women from dying of complications related to pregnancy and childbirth. We know that these programs have reduced infant mortality. Inevitably, disease, unintended pregnancies, abortions, and maternal deaths will increase if this restrictive language continues to apply.

International family planning programs are important to the overall health of large numbers of women and children in many other countries. The family planning provision in this CR is bad policy, and it should be reversed at the next opportunity.

Mrs. FEINSTEIN. Mr. President, today I will gladly vote for the Kennedy amendment to restore funding for education to last year's level. Education is an area that we should not shortchange.

The bill before us today will continue funding for programs that do not yet have year-long funding until March 15. Education programs are cut \$3.1 billion on an annual basis, the largest Federal education cut in history. This is a cut our schools cannot sustain.

Under this bill, California's elementary and secondary schools could lose at least \$169.8 million. For title I, programs for disadvantaged students, service to 1 in 5 students could be eliminated. Schools will have to lay off title I teachers and teaching assistants that provide those extra services that help these students learn. Programs like Safe and Drug-free Schools, Goals 2000, and student loans could lose 25 percent. The University of California will lose \$111 million, much of which is student aid.

I am also concerned about the stop-and-go pattern of Federal funding that we have undergone this year. This is the ninth short-term bill we've considered. We are almost 4 months into the school year and 3 months into the fiscal year. Once again, we are called on to vote on a short-term funding measure. This bill only funds programs for 49 days, until March 15.

These short-term bills are particularly unfair to our schools. Like businesses, they have to plan. In my State, at the end of January, courtesy notices go out to teachers who are likely to be laid off. School districts are beginning to plan their budgets for the next school year. For title I programs, schools are preparing contracts for teachers and other personnel. Our school districts cannot effectively plan with this on-again, off-again funding stream.

Our students, teachers, and administrators should not be held hostage any longer. I urge my colleagues to join me in voting to restore these education funds and put education funding on a more stable footing.

Mr. BIDEN. Mr. President, I think it is outrageous that, of all things to choose, this latest temporary spending bill cuts spending for the 100,000 Cops on the Beat Program under the 1994 crime law. I want to make clear that the only reason I'm voting for this continuing resolution is because it is a compromise and would allow States and localities to continue hiring cops for the next 49 days. The alternative is no cops.

But this is a terrible way to implement public policy. This continuing resolution would, if extended over a full year, cut the Cops on the Beat Program by over one-half—over \$1 billion promised to the American people for cops on the street. That means that communities across the Nation would lose over 13,000 police officers. That is totally unacceptable.

This continuing resolution funds the Cops Program at 75 percent of the 1995 level for outlays, which was \$1.187 billion. Seventy-five percent of that would be \$890 million for the year.

In contrast, full funding for the 100,000 Cops Program for 1996 is \$1.9 billion. That is what we agreed on in the 1994 crime law. That is what was requested by the President. So this resolution would actually cut over \$1 billion from the Cops on the Beat Program—over one-half—if it continued for the full year.

Let no one be fooled. This continuing resolution is a back door attempt by Republicans to reverse the gains of the 100,000 Cops Program and the American people will not stand for this the next time around. We all know the Republicans want to change the crime law now at work. They said so in their Contract With America. We all know the Republicans want to eliminate the 100,000 Cops on the Beat Program.

They would rather see the money squandered away in a block grant that funds virtually anything under the sun than to send the money directly to COPS for the one anticrime measure we know works—community policing. Cops on the Beat.

The Cops on the Beat Program is overwhelmingly supported by the American public as well as every major law enforcement group in the country. I don't know a single responsible police leader, academic expert, or public official who does not agree that putting more police officers on our streets and in our neighborhoods is the best way to fight crime.

Community policing enables police to fight crime on two fronts at once—they are better positioned to respond and apprehend suspects when crime occurs, but even more importantly, they are also better positioned to keep crime from occurring in the first place.

The reports from the field all across the Nation are the same—community policing works. When it comes to anticrime efforts, the one thing we know is that more community police officers means less crime. And we should keep our word to the American people.

The 1994 crime law targets \$8.8 billion for States and localities to train and hire 100,000 new community police officers over 6 years.

And as we pass the 1-year mark, it is already clear that the Cops Program is working even beyond expectations. Already, more than 33,000 out of 100,000 cops are funded in every State in the Nation. And because of the way we've set it up—with a match requirement and spreading out the cost over a period of years—the money will continue to work, keeping these cops on the beat and preventing crime in our communities far into the future. In a word, the law is working.

But that progress will come to a screeching halt if my Republican colleagues get their way—either through drastic spending cuts as under this continuing resolution or through block grants with loopholes you could drive a truck through.

What is one to conclude from the efforts of the Republicans to gut the 100,000 Cops on the Beat Program? Is it that tax cuts to a few are more important than protecting the safety of average Americans?

Apparently my Republican colleagues in Washington just don't seem to get the message. So let me make this crystal clear. If they think that they will use their new targeted appropriations strategy to kill the Cops on the Beat Program—to cut \$1 billion and thousands of cops—they are sorely mistaken. I will do everything in my power to prevent the Republicans from further undermining the 100,000 Cops Program.

So, although this continuing resolution funds cops at 75 percent of last year's outlays for the next 49 days, this indirect ambush on the 100,000 Cops on the Beat Program—a program demanded by the American people—will not be tolerated for the full year.

TAXPAYER FUNDING OF HUMAN EMBRYO RESEARCH

Mr. SMITH. Mr. President, I want to congratulate my colleagues in the House for adding the language in section 128 of this bill, which prohibits the use of taxpayer funds to create human embryos, to perform destructive experiments on them, and ultimately, to destroy and discard them.

We funded the National Institutes of Health in the earlier targeted appropriations legislation, but that bill did not contain this important restriction on the use of Federal funds. I have been working on this issue for the past several months, trying to call attention to the issue, and I am very pleased that we are very close to getting this important provision enacted into law.

Many of my colleagues might not totally understand what exactly we mean when we talk about human embryo research. So, before we vote on this critical legislation, I would like to give a brief explanation of the issue.

Mr. President, this is an issue that calls upon us to reaffirm the ethical

limitations that govern taxpayer-funded scientific research. It is an issue that calls upon us to uphold the dignity of humanity itself.

We know that science has benefited all of humanity in countless ways, but every one of us knows that the history of scientific inquiry also has its dark chapters. We have learned painful lessons from the atrocities that have been committed in the name of scientific progress. We have learned that the human subjects of scientific experiments must give their fully informed and voluntary consent. We have learned that ethical experimentation requires a proper respect for the dignity of the human subject. We have learned that an experiment that is likely to result in the death of, or disabling injury to, the human subject cannot be ethical and must never be permitted to occur.

These principles are enshrined in the Nuremberg Code. They can also be found in the World Medical Association's Declaration of Helsinki as well as other major international conventions governing scientific ethics. They make it clear that no human being can be ethically regarded as an instrument—a mere means to serve the ends of another person or group of persons.

These are absolute principles. Their framers clearly intended to establish limits beyond which an ethical science would not be permitted to go. Suppose for a moment that it could be proven that a large number of people could benefit and live happier lives if we all agreed to use a few of our fellow human beings as research subjects in experiments that we knew would harm or kill them. Of course, the benefits of scientific research are never certain, but let's put that aside. It wouldn't matter. Certain ethical principles are inviolate. That means that we do not subject them to cost-benefit analyses.

I must commend President Clinton for his Executive order banning taxpayer-financed creation and destruction of research embryos. In making this decision, the President acted on the belief that ethics imposes certain limits on science. I only wish he had followed that logic to a more honest and consistent conclusion.

Unfortunately, however, President Clinton continued to allow so-called spare embryos from in vitro fertilization programs for experimentation and destruction. In other words, it's still permissible to use developing human beings as raw material for bizarre experiments that will result in death.

First of all, the distinction between specially created embryos and so-called spare embryos is unenforceable and meaningless in practice. When the Australian Parliament considered this issue, Dr. Robert Jansen—an advocate of embryo research—put it very plainly:

It is a fallacy to distinguish between surplus embryos and specially created embryos . . . any intelligent administrator of an in vitro fertilization program can, by minor

changes in his ordinary clinical way of going about things, change the number of embryos that are fertilized. . . . It would be but a trifle administratively to make these embryos surplus rather than special.

The Warnock Committee, which investigated this issue in Great Britain, reached an identical conclusion. Furthermore, how can we say that it is wrong for Government to use taxpayer money to fund the creation of life for experimental purposes but say that it is nevertheless permissible to fund its destruction?

More importantly, just because a private party plans to destroy life, why should Government force taxpayers to give their blessing to that act? Let private parties use private money for their ethically challenged experiments. Taxpayer dollars should be used to protect and uphold human life, not to destroy it.

Columnist Ellen Goodman has stated that scientific inquiry must recognize the existence of ethical stop signs. President Clinton also acknowledged that there are ethical limits on scientific inquiry when he drew the line and prohibited the creation of human life for research purposes. Former NIH Director Bernadine Healy probably put it best:

It's a rather profound decision to say that a government agency will use taxpayer dollars to designate a class of subhuman humans that will be there solely to be experimented upon and then discard them at the whim of science.

Mr. President, the supposed benefits of a kind of scientific research do not make that research ethical. Today, when we pass this legislation we will be saying to the American people that ethics determine the limits of science and not vice versa. We will be saying that in the interest of science, we should not violate the fundamental principle of the sanctity and dignity of all human life. I urge the President to support this important provision.

BALANCED BUDGET

Mr. GREGG. Mr. President, the provisions of the Balanced Budget Downpayment Act that relate to the Commerce, Justice, State, the judiciary, and related agencies [CJS] appropriations bill provide for funding at the levels outlined in the fiscal year 1996 conference report under fiscal year 1995 terms and conditions, with certain exceptions which are spelled out in the legislation.

Along with the distinguished ranking member of the subcommittee, Senator HOLLINGS, I want to notify all departments and agencies funded under the CJS bill that the fiscal year 1996 conference report and statement of managers and the House and Senate reports relating to the fiscal year 1996 CJS bill should be used to the maximum extent possible in allocating resources under this legislation. With very few exceptions, the guidance provided in these documents will likely become the final guidance for expenditure of fiscal year 1996 funds.