

Mr. FORD. Mr. President, I understand we have about 4 minutes left on Leader DASCHLE's time. I ask unanimous consent I be allowed to use that time.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator may proceed.

Mr. FORD. Mr. President, I thank the Chair.

(The remarks of Mr. FORD pertaining to the introduction of S. 306 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER. The time between 10:30 and 11 a.m. shall be under the control of the Senator from Wyoming [Mr. THOMAS] or his designee.

Mr. COVERDELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Georgia is recognized.

Mr. COVERDELL. Mr. President, as I understand it, the 30 minutes between 10:30 and 11 are under the control of Senator THOMAS from Wyoming. I am going to ask, in his place, that we yield up to 10 minutes to the Senator from Minnesota.

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

The Senator from Minnesota is recognized.

OUR CHILDREN AND THE BALANCED BUDGET AMENDMENT

Mr. GRAMS. Mr. President, I want to talk a little bit this morning about the balanced budget amendment and really how important it is to our children, our grandchildren, and really to the future of this country.

As a nation, we find ourselves at a very critical juncture. The choices we face today are stark: It is either stagnation or growth, poverty or prosperity, hope or hopelessness for our Nation's children. Throughout the history of this world, great nations have risen and great nations have fallen. Many have perished simply as a result of one fatal fiscal miscalculation at a critical time—a time at which we find ourselves today.

We must move forward because we have a moral obligation to pave a trail and to light the way. Yet, a single misstep as we enter into the 21st century could cast our children off the path and into darkness.

Now, despite the improvement of our short-term fiscal outlook in the past decade, we face great danger from the fiscal imbalances ahead that swing over us like a sword dangling from a thread. Without a balanced budget amendment to address these risks, I am afraid that the national debt will destroy this Nation.

The debt today stands at over \$5.3 trillion, and the cumulative damage of the national debt to the economy over the past 40 years has been enormous. Our Nation has fallen from its perch as the world's greatest creditor to become the world's greatest debtor Nation in history.

A child born today enters the world already \$20,000 in debt and faces an additional \$1,300 every year just to pay the interest on that debt.

By the year 2007, the national debt will rise to \$8.5 trillion, and children born then will inherit a share of nearly \$30,000. That is \$30,000, whether poor, middle-class, or well off. Every child in every household in this land is affected.

Now, as historian John Steele Gordon writes in his new book, "Hamilton's Blessing: The Extraordinary Life and Times of Our National Debt," the size of the debt itself is not the problem—it is the fact that we have run it up to such extraordinary levels without justification.

Gordon's research shows that in the first 184 years of our independence, the Nation borrowed a total of \$300 billion to fight the wars that made and preserved our Nation. But he goes on to say that, in the last 36 years, we have taken on more than 17 times as much new debt—at first, in an attempt to maximize economic output, but in recent years, as he explains, no good reason whatsoever has been the cause behind this.

Mr. President, the imbalance between the Government's entitlement promises and the funds it will have available to pay for them will alone bankrupt this Nation.

Now, the Bipartisan Commission on Entitlement and Tax Reform has warned us that in the year 2012, projected outlays for entitlements and interest on the national debt will at that time consume all tax revenues collected by the Federal Government. In 2030, projected spending for Medicare, Medicaid, Social Security, and Federal employee retirement programs alone will consume all of our tax revenues, leaving nothing to educate our kids, to keep their streets safe, to cure their diseases, or to protect the environment.

Shortsighted politicians repeatedly refuse to make tough choices, and the knowledge that we have no clear public policy to address this imbalance darkens our future even more.

Although the solutions to our problems are anything but simple, we must not shy away from them any longer. The balanced budget amendment will force Congress and the administration to work together to defuse this time bomb. Without it, the deficit spending will continue, and that is despite all the rhetoric from both Congress and the White House to the contrary.

Even if we indeed balance the budget through a statutory requirement, we all know that this is not a guarantee that our budgets will balance in the future. Our national debt will take several generations to eliminate now. We not only need the will to balance the budget, but we also need the means to follow through, to keep the budget balanced, and to begin to return the borrowed money. We need the balanced budget amendment. Talking about the

protection of our children, without addressing the long-term risks that are poised to imprison them is corrupt.

Mr. President, I have heard my colleagues many times on the other side of the aisle this week raise the word children as if it were a protective shield. "We can't enact the balanced budget amendment," they say, "the education of our children will suffer." "We can't enact the balanced budget amendment, the nutritional health of our children is at stake." "We can't enact a balanced budget amendment, our children's medical needs will go unserved."

They have also used the phrase that we have attacked children because they are the path of least resistance. Well, we know the work that we undertake every day in this Chamber has a profound effect on every American child, just as it affects every taxpayer, every working family, and every senior citizen. I am certain there is not a single Senator in this Chamber who would deny a child a good education, deny a child a hot meal, or deny a doctor's tender care.

Yet, through our own greed, we have denied that very same child a future free of a debt that they did not incur and which they do not deserve to bear.

Now, I ask you this, Mr. President: Who was protecting our children while Congress amassed a debt of \$5.3 trillion? Those children were not here to be able to say don't do that. We took the path of least political resistance when we put our children into debt. They did not have a voice on this Senate floor to stop us from doing that.

Who stood up for America's children while Congress signed their names to a mortgage that they will never be able to escape?

Who came to the floor of this Chamber crying out for the children when we sacrificed their financial security for another piece of pork, or another Federal program?

I will tell you this, Mr. President. The same Senators who today raise the shield of children as their argument against the balanced budget amendment were nowhere to be found when America's children needed them most.

Only the balanced budget amendment will protect our children from the suffocating excess of a Congress free to spend dollars that it does not have.

So, Mr. President, the legal authority of the balanced budget amendment will ensure that we do not drown our children in a sea of debt. The moral authority of a higher power demands that we do nothing less.

Thank you, Mr. President. I yield the remainder of my time.

Mr. COVERDELL. Mr. President, I commend the Senator from Minnesota for his remarks on behalf of the balanced budget amendment to the Constitution. I think he makes a very poignant statement when he alludes to the condition of our children in the future. I have always enjoyed reading Thomas Jefferson's admonitions about

the future of the democracy. I can't state it with the eloquence with which he did, but he makes the point that the Senator from Minnesota makes, and I think it is worth revisiting. He essentially said that it is morally wrong for a contemporary generation to make decisions about debt for future generations. It is morally wrong, Mr. President, for a contemporary generation to use the resources of generations yet to come. In essence, any time a contemporary generation is in the business of consuming the resources of those yet to come, they are engaged in abrogating the freedom of those yet to come, which is an unconscionable act for Americans because this is a Nation that was born in freedom and independence and has invested unlimited sacrifice to preserve it.

Yet, we seem to want to overlook it when we look at these 28 budgets from Republican and Democratic Presidents, all of whom in their own way were a part of abrogating freedom of somebody yet to come because they all used resources of people who have no voice—nothing to say. Our legacy is to hand them debt. And how terribly inappropriate it is.

I was reviewing some financial policy recently. I think it is called generational economics. What that means is something like this. My mother and father kept 80 percent of their lifetime wages to do the things that we have always depended on and asked for the American family to do. It has been the core ingredient in terms of taking care of America, and they raised myself and my sister; got us through school gracefully; housed us all through our medical needs and trying to prepare us for stewardship. My sister, who is 10 years younger than I, will keep about 45 percent of her lifetime wages—her parents 80 and she 45. Currently, an average family in the State of Georgia can keep, after direct taxes and cost of government, about 45 percent of their wages. So she has half the resources. A lot of it she does not get is in this pile of 28 budgets. But worst of all is the fact that a child who was born on January 1 of this year, 1997, will keep, under the current scheme of things, 16 percent of their lifetime wages. In other words, it will take 84 percent of their wages to fulfill these obligations that continue to mount. I would have to say, Mr. President, that that child born on January 1 of this year could never be considered to be free by any definition in our Constitution or in the basic tenets and fundamentals of American life.

So from the turn of the century we have gone from a family that keeps 80 percent of the fruits of its labor to contemporarily keeping about 45 percent, to a child today faced with having to forfeit 84 percent of what their life's earnings are to fulfill the largess of all of these budgets.

I don't know what kind of proof we need to advise us that we need to change the way we manage our finan-

cial affairs just to look at the generational impact, and then to go back and be reminded that Thomas Jefferson said what we are doing right here is an abrogation of freedom and independence and that we are in the business of denying freedom for Americans yet to come.

The 80, 40, 16 says it all to me. If you want to just talk about monetary circumstances, we are headed toward doubling the deficit, which means we are piling more paper on this pile right here. Just in the term of this President we are going to double the deficit. We are going to add about another \$100 billion to it. Then, after that, it looks like a NASA space shuttle. It just sky-rockets. So the fuel and the engines of using the future resources seem unchecked and unbalanced.

So if these 28 years of evidence are not enough to compel somebody to understand that we need to change the way we manage this debt, then you can simply look at the current budgets before us and see that we are going to continue to add debt on debt.

Sometimes when you talk to people in America about the scope of what we have been doing, about the 80, 40, and 16 percent, about the size of the current debt, which I think is \$5.3 trillion looking at the big picture—of course, I have been talking about 7 minutes or so, but it is probably closer now to \$5.4 trillion—it is depressing and sobering. And I always like to leave the message with more optimistic tone.

I point out that balancing our budgets, moving to a balanced budget path, passing a balanced budget amendment to the Constitution, does not require draconian effort. Actually, they represent modest, sound, and reasoned steps to take control of our financial affairs, which saves the country for the future, which is laudable, and for which every generation of Americans have been charged of doing—take steps to guarantee that they turn the country over to the future in good hands rather than crippled—that by taking these reasoned steps, balanced budgets, a balanced budget amendment to the Constitution, that it not only saves the country for the future, but it creates the immediate positive effect on every citizen today. Every family, every business, and every community has an immediate positive effect. It lowers interest rates. It makes more capital available for businesses to seek and generate more business. More businesses will be started, particularly small businesses. The job lines will be shorter. It will be easier to get a job. If you are graduating from high school or graduating from college and you are in the job market, or there has been a change, it is going to be a lot easier.

Specifically, Mr. President, a balanced budget amendment would produce around \$2,000 new disposable income, putting it into the checking account of every Georgia family, and, Mr. President, every Kansas family. I suppose the average family in our two

States is pretty similar. They make about \$40,000 a year. Probably both parents are working. And as I said, by the time the Government marches through their checking account, they have less than half of that left. That gets them down to around \$20,000, \$23,000 to do everything we ask them to do.

Now, think about it. What is the effect of putting \$2,000 back into that checking account? That is the equivalent of a 10-percent pay raise. And we all know the kind of stagnation that has occurred, because of this kind of activity, in those checking accounts over the last several years.

Think of the opportunity that this creates for school and education and health care, which we have been talking so much about, for children, to have \$2,000 of new resources for every average family across the country. Look at it as if you are a mayor or county commissioner. We would likely save about \$333 million in lower debt service in the State of Georgia or \$103 million for the capital city of Atlanta, GA. Every school district, every county, every municipality, every State will immediately begin to benefit from our taking these kinds of steps to rein in and manage our budget.

We had a host of people down here suggesting you just do not need a balanced budget amendment to the Constitution; you just need the will. I do not know how many years we have to discuss our lack of will to understand that we need to change the rules. We passed the line-item veto for the first time, and that is a new tool. That is on the right track. A lot of people were concerned: Would a Republican Congress give the Democrat President the line-item veto? They did. They did because they believed we do need new disciplinary tools to manage our financial affairs.

I have to say that I have concluded—and I think, on balance, this is correct—if you are against a balanced budget amendment to the Constitution, you are really not for balanced budgets. The President has told us we should have balanced budgets, and he ought to be supporting us in this effort. I have to say, Mr. President, that if this fails—I hope it does not; it is going to be close, but if it fails, the President will bear the responsibility for it because he has decided to fight this. The power of the President is enormous. But if you are for balanced budgets, then you are for a balanced budget amendment to the Constitution.

Mr. President, I do not think you know any individual, and I doubt that you know any family, nor any business, that has been successful in achieving that which it needs to do, its mission in life, that has abused his or her, their, its financial health. You just do not know anybody like that or you will not know them very long. So it is with nations.

I was speaking yesterday to a group of foreign ambassadors and dignitaries who are visiting the United States on

an educational program to try to understand our Congress, our Government, and our Nation. I told them that if you really want to understand the nature of the decisions and the environment in the United States, you have to understand her domestic financial crisis. You have to understand what the Senator from Minnesota said. He talked about the fact that the bipartisan entitlement commission has shown us that within a very short period of time, just a handful of Federal programs consume 100 percent of our Treasury.

I was simply telling these foreign visitors that to have an appreciation for what is happening in the debate over the resources we devote to our national defense and to world order, to the debate over what we can make available to foreign assistance, it is being driven by this pile of 28 different budgets that are out of balance and that this generation of Americans, you and I, Mr. President, and all of our citizens, are going to be charged with dealing with this dilemma. We have known about this problem all these years, but it was always going to be somebody else to work it out. There is no generation for us to give the baton to. We are the last watch. It is you and I. We are going to make the decision, whether it is indecision or decision, on our watch that will determine what kind of country we give to the next generation.

Mr. LEAHY. Mr. President, I note the Senator from West Virginia is going to be recognized at 11. I wonder if the Senator from Georgia is going to take the full time until 11 o'clock.

Mr. COVERDELL. Does the Senator from Vermont need a moment or two? I would be glad to yield the remainder of my time—

Mr. LEAHY. I need about 2 minutes.

Mr. COVERDELL. To the Senator from Vermont.

Mr. KYL. Will the Senator yield?

Mr. COVERDELL. I am sorry; I did not see the presence of the Senator from Arizona.

Mr. KYL. I would advise the Senator from Georgia, I have about 3 minutes of remarks.

Mr. COVERDELL. Let me ask this, I say to the Senator from West Virginia. The Senator from Kentucky used about 2 minutes of the time under our control, and I wonder if I might ask unanimous consent that our time last until 11:02, and I would grant 2 minutes to the Senator from Arizona and the closing 2 minutes to the Senator from Vermont.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Arizona.

Mr. KYL. I thank the Chair. I thank the Senator from Georgia.

BALANCE THE BUDGET FOR AMERICA'S FAMILIES

Mr. KYL. Mr. President, during the next few months, millions of Americans will confront the annual task of

filing their income-tax returns. What people would be startled to learn is that about 53 cents of every dollar of individual income tax they send in to the IRS this year will be required just to pay the interest on the national debt.

That is 53 cents out of every dollar that will not be available to spend on health care for children, for education, for the environment, for aid to victims of domestic violence, for law enforcement, for national defense, or for any of the other important programs that serve the American people. It is 53 cents of every dollar just to pay interest on the bills that Congress and the President have racked up in years past.

That 53 cents of every dollar does not even begin to pay down the national debt, which is increasing at a rate of \$4,500 per second—a debt that threatens our children's very future. It now totals more than \$5.3 trillion, or about \$20,000 for every man, woman, and child in the country.

Some people say that a balanced budget would mean drastic cuts in important programs. But it is really the deficit—the debt—that is savaging our ability to respond to the Nation's needs. How much more could we do for the American people if we did not have to set aside 53 cents of every income-tax dollar just to pay interest? How much more could people do for themselves if their tax bills were cut in half and they had that 53 cents to spend on their own needs?

It is really a balanced budget—not more deficits—that offers the greatest protection for the important programs our Government provides. A balanced budget will ensure that we have the money, for example, to take care of our obligations to seniors and those in need, to make streets safe for law-abiding citizens, and to make our country secure. It is, after all, those programs—those programs that are priorities for the American people—that will be funded first under a balanced budget.

Of course, setting priorities would be something new for the Federal Government. We are used to operating with a national checkbook that has had an unlimited balance. That has allowed Congress to spend as much as it wants for whatever it wants. And when you have an unlimited balance to draw from, every program is as important as the next.

But as any family knows, when you have to live within your means, you cannot have everything. The basics come first. In the context of a balanced Federal budget, that means things like Social Security, Medicare, and national security move to the front of the line.

That is what it means to prioritize. It is just plain common sense.

Most economists predict that a balanced budget would facilitate a reduction in long-term interest rates of between one and two percent. That means that more Americans will have the chance to live the American

dream—to own their own homes. A 2-percent reduction on a typical 30-year mortgage in Arizona would save homeowners over \$220 a month. That is \$2,655 a year.

A 2-percent reduction in interest rates on a typical \$15,000 car loan would save buyers \$676. The savings would also accrue on student loans, and credit cards, and loans to businesses that want to expand and create new jobs. Reducing interest rates is probably one of the most important things we can do to help people across this country. It is money in the pocket of every American.

Mr. President, we need to balance the budget. The American people want us to balance the budget. But the only way to ensure that we really get there is to pass the balanced budget amendment.

The PRESIDING OFFICER. The Senator has spoken for 2 minutes.

The Senator from Vermont is recognized.

JUSTICE CLARENCE THOMAS' FIRST AMENDMENT RIGHTS

Mr. LEAHY. Mr. President, I ask unanimous consent that at the end of my comments, an article in the Wall Street Journal of January 31, 1997, entitled "Black Leaders Try to Deny Thomas' Status as Role Model," be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.
(See exhibit 1.)

Mr. LEAHY. Mr. President, there have been a number of articles in various papers over the last couple of years about groups that tried to block Justice Clarence Thomas from speaking at various schools. I abhor this kind of activity.

Justice Thomas was nominated by the President of the United States, went through his hearing, we had a vote on it up or down, and he was confirmed. That is the major trial that he should have to go through. He has the same rights, first amendment rights, as every one of us to speak. I am proud of the fact I come from a family that made the first amendment a hallmark, in bringing up the three Leahy children. I have been in this body for 22 years, defending the first amendment from attacks from any side, and I am proud of the achievements that has brought about. But I would say that those who try to block anyone from speaking disregard the first amendment.

McCarthyism of the left is as bad as McCarthyism of the right. If some disagree with what Justice Thomas says, then let them seek their own forum to express that disagreement. Do not block the statements from being made in the first place. That is wrong. We, in this country, ought to understand that those who try to block speech, from the right or from the left, do a disservice to our Constitution, do a disservice to our country, and, most important,