

I thank the Commission for its efforts. I look forward to working with my colleagues and the administration to implement some of these recommendations.

Mr. President, I yield the floor.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

BALANCED BUDGET AMENDMENT TO THE CONSTITUTION

The Senate continued with the consideration of the resolution.

Mr. DORGAN. Mr. President, I wanted to come to the floor of the Senate to respond to and to discuss some items on the constitutional amendment to balance the budget.

There has been a great deal of talk about the constitutional amendment here on the floor of the Senate. There have been press conferences on both sides and a great deal of literature distributed in the Senate. I want to talk about what the issue is and what the issue is not.

The issue is not, as some would have us believe, a discussion between those who think it is meritorious to balance the Federal budget and those who think we should not balance the Federal budget. Generally speaking, most Members of the Senate believe it is important for this country's long-term economic interest to find a way to balance the Federal budget. We ought to do that. This Federal Government has spent more than it has taken in for a good long while. I would just say, that it is the irresponsibility of Democrats and Republicans that have allowed that to happen.

It is true that there is a difference in how they want to spend money, but there is not a plug nickel's worth of difference between Republicans and Democrats about how much they want to spend. One side might want to spend more for Head Start and another might want to spend more for B-2 bombers or whatever. But nevertheless, if we take a look at the aggregate appetite for spending you will not find a plug nickel's worth of difference on either side of the aisle. Priorities and choices, though would be different.

But both political parties—Presidents who are Republican, year in and year out, Presidents who are Democrat, not quite as many, I might add—both have submitted budgets to the Congress that are wildly out of balance and that have had substantial deficits. So this is not a case where one can stand on slippery sand and say, "It's your fault. You're the folks who are at fault over here." It is everybody's fault. And it ought to stop. We ought to balance the Federal budget because that will be good for this country.

The debate here is, shall we alter the Constitution of the United States? Shall we change the Constitution of the United States? I would observe that if it is done, 5 minutes from now the Federal debt and the Federal def-

icit will not have been altered by one penny. We will have altered the constitution of the United States, but we will not have changed by one penny the Federal deficit or the Federal debt.

I want to talk a bit about that because I think there are circumstances under which we should alter the Constitution. There are circumstances under which I will support a constitutional amendment to balance the budget. But I think when we do change the U.S. Constitution we ought to do it with great care and we ought to do it right, because you do not get many chances to correct a mistake.

First, I want to talk about debt. The discussion about debt is an interesting one because we have people coming to the floor of the Senate and they say, "Well, these Federal deficits that we have had, you know, everybody else has to balance their budget. Business has to balance its budget. Consumers have to balance their budgets."

We have about \$21 trillion of debt in this country, about \$21 trillion of debt. This chart shows what has happened to debt. The growth of debt in my judgment has not been very healthy for this country, not in the public sector, not in the private sector.

This shows what has happened to business debt, corporate debt, household debt, Federal Government debt. Take a look at the curve. And \$21 trillion worth of debt.

Now someone might stand up and say, "Well, everybody else has to balance their budget." That is not true. If so, what is all this debt about? In fact, we have developed a culture in this country in which it is fine for the private sector to send a dozen solicitations to college students who have no jobs and no visible means of support saying to them, "Please take our credit card. You have a \$1,000, \$2,000, or \$5,000 approved limit. Just go ahead and take our credit card. We want you to have a credit card. You don't have a job, no income. Take our credit card." That is the culture in our country. Is it good for this country? I do not think so.

I said also, the culture is walking down the street as a consumer, and the picture window of the business literally raps on your elbow and says, "Hey, you, walking in front of me here," the window says, "Come in and buy this product. It doesn't matter you can't afford it. Doesn't matter you don't need it. Buy the product. Take it home. You don't have to make a payment for 6 months. And we'll give you a rebate next week. And charge it." That is the culture. Is it right? No, it is not right.

We ought to change that. We ought to change it here in the Federal system by balancing our budgets responsibly. And we have a problem well beyond this Federal system. Take a look what is happening with credit card debt in this country. Take a look at consumer debt.

My point is, we ought to be concerned about the Federal debt and the

Federal deficit, but we ought not stand up and say that is the only place debt exists. We have a whole culture of debt that raises real significant questions about where we are headed and how we are going to get there.

The discussion today is about altering the Constitution in order to require budgets be in balance. Last evening I was privileged to see a preview of something that is going to be on public broadcasting on the life of Thomas Jefferson. It is a wonderful piece written by Ken Burns. It describes Thomas Jefferson writing the Declaration of Independence at age 33. I got a copy of that today. I can only imagine having the kind of talent that he had. I mean, he was almost unique in the history of the world in his ability to think and write and express for us the spirit of what this democracy is.

Thirty-three years old and in a boarding house he writes:

When in the Course of human events, it becomes necessary for one people to dissolve their political bands which have connected them with another, and to assume among the powers of the earth, the separate and equal station to which the Laws of Nature and of Nature's God entitle them, a decent respect to the opinions of mankind requires that they should declare the causes which impel them to the separation.

We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty and the pursuit of Happiness. That to secure these rights, Governments are instituted among Men, deriving their just powers from the consent of the governed.

You can see Thomas Jefferson's handwriting and his corrections, the words he has crossed out, the words he has added when he wrote this marvelous, wonderful document.

The year following the writing of this document when he was 33 years old, a group of 55 white men, largely overweight, we are told, convened in a small room in Philadelphia called the Assembly Room in Constitution Hall. They said it was so hot that summer in Philadelphia that—and those folks had such ample girth—that they had to cover the windows to keep the Sun out because it got very warm and they did not have air-conditioning in those days. And those 55 men wrote for this country a constitution.

The Constitution itself is quite a wonderful document. Thomas Jefferson was in Europe at the time. He contributed to the writing of the Constitution by sending substantial writing back about the Bill of Rights. The Constitution of course is the living document that is unique in the history of this world.

We the People of the United States, in Order to form a more perfect Union, establish Justice, insure domestic Tranquility, provide for the common defense, promote the general Welfare, and secure the Blessings of Liberty to ourselves and our Posterity, do ordain and establish this Constitution for the United States of America.

Language so clear and so wonderfully written, they established the foundation of this country, the fabric of a democracy that has now become the most successful surviving democracy on this Earth.

The spirit of that document, the spirit of that Constitution is, I think, attested to by virtually all who serve here in what it means to us, our families, our future, to our country. When we decide that we should consider altering that Constitution, provisions for which were made in the very Constitution, we should do it carefully.

We have had people propose all kinds of schemes to alter the Constitution of the United States. I am told there was a proposal to alter the Constitution that would require a President first coming from the northern part of America and then followed by a requirement that the next President come from the South.

There have been thousands of proposals—some good, some bad, some baked, some half-baked—to change the Constitution of the United States. In fact, it was not very long ago that we had three proposals to alter the Constitution, in the last session of Congress, proposed to be voted on by the U.S. Senate, in the period of 6 weeks—three separate proposals to alter the work of Franklin, Madison, Mason, George Washington, and so many others, who over 200 years ago framed this issue.

Mr. HATCH. Will the Senator yield?

Mr. DORGAN. I am happy to yield to the Senator.

Mr. HATCH. When I got the unanimous consent-agreement, I did so that all time would be divided equally. Can the Senator give me an indication of how long he will be speaking?

Mr. DORGAN. About another 10 to 12 minutes.

Mr. HATCH. Could we divide the time so the Republican time will be taken off our time and the Democratic time is taken off your time? It would be fairer.

Mr. DORGAN. I do not have a problem with that. There will be ample time for everyone to speak. I am happy to accommodate the Senator.

I ask unanimous consent I be allowed to speak for the next 12 minutes and it come off the Democratic time.

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

Mr. DORGAN. I observe that there will be no limit of time for anyone here to speak to their last breath about any subject they so choose on this issue, I guess.

I will continue because I wanted to provide a framework for what I was going to say. I respect the Senator from Utah, Senator HATCH. He has been on this floor on this issue and he has not wavered. He believes very strongly in what he is doing. I would support him if he would make one change in the constitutional amendment.

A columnist said, "Call his bluff," naming me by name. I say to the Sen-

ator, you make the change and I vote with it. I expect the change will not be made. If you do, chalk me up. I am one more vote.

I want to talk about that change and the dimensions of it and the response of it. The change is in the issue of Social Security. We have had a lot of debate about this. Some said this is the biggest red herring in the world. Two political pundits this weekend said this is a fraudulent issue. Of course, pundits are either 100 percent right or 100 percent wrong and no one knows which or who. A columnist said this is a totally fraudulent issue. I want to describe the issue once again and describe why I think not only is it not fraudulent, it is one of the most significant issues we will face in fiscal policy. A position on this issue is now prepared to be put into the Constitution of the United States in a way I think hurts this country.

Let me describe it. Social Security is a remarkably successful program in this country. We decided some long while ago that we would have people pay in a payroll tax and that payroll tax would accumulate money which would be available to people when they retire. What has happened is we have developed kind of a "bulge" in our population, a very large group of children who were born just after the Second World War. I mentioned the other day, kind of kidding, but it was true, there was a tremendous outpouring of love and affection after the Second World War. A lot of folks came back and a lot of this love and affection blossomed into the largest baby crop in the history of our country. It caused some real long-term demographic problems, because when they hit the retirement rolls, what will happen is we will have the fewest numbers of workers supporting the largest number of retirees in this country's history.

What was to be done? About 13 years ago, a discussion was held about how do we finance that when the largest baby crop hits the retirement rolls and we do not have enough money. The answer was, let's accumulate some surpluses in the Social Security system to be used when we need them later. I do not expect there is disagreement about that, that we have a circumstance where we accumulate \$70 million more now than we need to be put into a trust fund to be saved for the future. If there is disagreement, I want to hear that, but those are the facts.

Now, what is happening is a proposal is now made to alter the U.S. Constitution with this language, according to the Congressional Research Service, and the language says that all receipts and expenditures shall be counted for purposes of completing a balanced budget, and therefore the Congressional Research Service says "because the balanced budget amendment requires that the required balance be between the outlays for that year and the receipts for that year," the moneys that we are "saving in the surplus

would not be available as a balance for the payments of benefits." That means if we save \$70 million extra this year for Social Security to be made available in the year 2015 or 2020, and in the year 2020 we balance the rest of the budget but want to spend that surplus we have in the Social Security accounts, the Congressional Research Service says you cannot do it. You cannot do it. This ought not be a controversial conclusion. I do not know of anyone who disagrees with it. You cannot do it unless you raise taxes in the rest of the budget to accommodate it.

I say if that is the case, why are we raising more money than we now need in Social Security if it will not be saved and it will not be available for future use?

I want to read to my colleagues something from the Social Security trustees last year:

"Total income for Social Security is estimated to fall short of the total expenditures in the year 2019 and will continue thereafter under the immediate assumptions, but in this circumstance the trust funds would be redeemed over that period to cover the difference until the assets are exhausted in 2029.

That is what the Social Security trustees said. CRS says that cannot be done because the trust funds will not be able to be used in those years unless you have raised taxes on the other part of the budget or cut spending in the other part of the budget, and I say in the year 2029 it would require \$600 billion that year alone.

I have a 9-year-old son. This is not rocket science. I think he would understand that double-entry bookkeeping does not mean you can use the same money twice. You cannot say I am using this money to show a balanced budget and then use this money to save over here for Social Security. You do it one way or the other. You cannot do it both ways.

My Uncle Joe used to own a gas station. Can you imagine him coming home to my Aunt Blanche and saying, "We lost money this year, Blanche, but I put away money for my employees because I bargained with them and I told them I put money in their retirement account. So we got money in their retirement account for their pensions. But since I lost money in the service station, what I intend to do is take their money out of the retirement account I have put it in and use it over here so I can tell people I don't have a loss on my service station anymore." My aunt would say, "Joe, you cannot do that. It is illegal. Somebody will send you to jail for that." Joe would say, "Well, the folks down there in Washington, DC, seem to think it is OK. They think they can take \$1 trillion in the first 10 years and put it first in this pocket and then in that pocket, thumb their suspenders and puff on their cigars and say, "We balanced the budget."

Guess what? The year in which the budget is presumably balanced and the year in which all of those who will

stand up on the highest desk in this Chamber and bray and bellow and trumpet and talk about how they balanced the budget, I ask every American to look at one number. What happened to the debt in that year in which they balance the budget? The answer: They say they balanced the budget and they have to increase the Federal debt limit by \$130 billion, the same year in which they claim they balance the budget. Why? Because the budget has been balanced.

And it is not just me. I say to the Senator from Pennsylvania, who is on the floor, he raised the same points the other day. There are Republicans in the House, two or three dozen, that raised the same points. I do not know how he and others will vote on final passage, but I say, as controversial as this is, I agree with what the Senator from Pennsylvania said on the floor the other day. I agree with what Congressman NEUMANN and others are saying in the House. I agree with the presentation I am making. This is an issue that is not insignificant, \$1 trillion in 10 years, and it is much more than that in the 20 to 25 years that you have to look out to see what will be the consequence of this kind of proposal.

Let me frame it in a positive way. I believe we ought to balance the Federal budget. I will support altering the Constitution to place in the Constitution a requirement to balance the Federal budget. We will vote on an alternative, on a substitute constitutional amendment to balance the budget that does that. I will offer it. I intend to vote for it. I will not vote for a constitutional amendment that accomplishes this—that essentially reduces by 10 years the solvency of the current Social Security system and guarantees that which we are supposed to be saving will not be saved and that which we are supposed to be saving cannot, by virtue of the language of this constitutional amendment, be available for use by Social Security recipients when it was promised.

Sometimes I get the feeling that the only thing we do in this Chamber is talk to ourselves. We just talk back and forth with “budgetspeak” and language and a priesthood of dialog that only we understand and that seems almost totally foreign to the American people. I will bet you that with a lot of this discussion that’s the case. The American people, I think, want a balanced budget and should expect that we can do what is necessary to balance the budget. But let me emphasize again that, although I believe there is merit to alter the Constitution to require a balanced budget, if we alter the Constitution at 2:05, by 2:10—which is 5 minutes later—we would not have changed by one penny either the Federal debt or Federal deficit. That will only be altered by decisions on taxing and spending made individually by Members of this Congress, deciding what is a priority and what isn’t, how much should we spend or should we not

spend, or how we raise revenues or how don’t we raise revenues. Only those decisions will bring us to a place we want to be—a balanced budget that provides for the long-term economic health of this country.

My hope is that, in the coming days, when we finish this debate, we will have accomplished something in that we will all have resolved not only to perhaps make a change in the Constitution, if we can reach agreement on how that is done, but we will have resolved that we should, as men and women, balance the budget. Changing the Constitution is not balancing the budget. Some want to substitute that as political rhetoric. But, ultimately, the question of whether we balance the budget will be determined by the choices that we make individually.

Mr. President, I see the Senator from Connecticut on the floor. I wanted to say to the Senator that I used a bit of the time in the 4-hour block. I hope he didn’t mind. I wanted to make this point. I hope to come back in general debate, and I hope that the Senator from Utah and I can engage on the consequences of this language because I think it is a trillion-dollar question that remains unanswered. I would like to have a dialog back and forth rather than just presentations that vanish into the air when the presentations are completed. I thank the Senator from Connecticut.

I yield the floor.

Mr. SPECTER addressed the Chair.

The PRESIDING OFFICER [Mr. SESSIONS]. The Senator from Pennsylvania is recognized.

Mr. SPECTER. Mr. President, I have checked with the managers of both sides and he has agreed to yield me 5 minutes. I ask unanimous consent that I may proceed as in morning business for a period of up to 5 minutes.

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

NOMINATION OF ALEXIS M. HERMAN, TO BE SECRETARY OF LABOR

Mr. SPECTER. Mr. President, I have sought recognition to speak briefly on the issue of the pending nomination of Ms. Alexis M. Herman to be Secretary of Labor, and I urge that Ms. Herman be given a hearing on the subject so that there may be a determination, one way or the other, about her qualifications to be Secretary of Labor.

I talked at some length to Alexis M. Herman yesterday. A request had been made by the White House for me to meet with her, perhaps in my capacity as chairman of the Appropriations Subcommittee that has jurisdiction over the Department of Labor. And I met with Ms. Herman in the context of a number of questions that have been raised about her qualifications to be Secretary of Labor.

There has been an issue raised about her handling of her position as liaison for public matters in the Office of Pub-

lic Liaison, as to whether there had been some activities that went over the line in political activities or fundraising. I questioned Ms. Herman about that at some length, although not in a dispositive form. But it seems to me that she is entitled to be heard on the subject and to have a decision made one way or the other about whether she is qualified or disqualified.

I questioned her about the circumstances where there was a coffee, which had started out in her department, where she had issued an invitation to Mr. Gene Ludwig, who was Comptroller of the Currency, to a meeting with bankers, at a time when she thought it was going to be a substantive meeting and it would not involve fundraising. Later, she found out that there were individuals from the Democratic National Committee who were involved, and she then did not attend the meeting herself, but had not informed Mr. Ludwig about the nature of the meeting in order to withdraw the invitation to him.

There have been other questions raised about the Anti-Deficiency Act, and perhaps other matters. But I think it is very important when someone is nominated for a position and there is public controversy and public comment, that that individual have his or her “day in court” to have a determination made as to whether she, or he, may be qualified to handle the position.

I thought it was very unfortunate, when Prof. Lani Guinier was nominated for a key position, Assistant Attorney General in the Department of Justice, that her nomination was withdrawn without having an opportunity for her to be heard. At that time, I met with her and read her writings and I thought she was qualified. But I thought, surely, there should have been a determination by the committee. I recall the withdrawal of the nomination of Zoe Baird, who was up for Attorney General of the United States, and I recollect when Judge Ginsburg had been nominated for the Supreme Court; neither of them had finished their hearings. I think it is very important, in the context where we are trying to bring good people into Government and, inevitably, they are under a microscope, which is the way it is, and that is understandable. But they ought to have a chance to be heard and have their day in court and have a chance to defend themselves and have the public know what has gone on. If they pass, fine, and if they do not, so be it. But they ought to have that opportunity.

I respected the decision made by Judge Bork back in 1987 when he wanted the matter to go forward and to come to a vote so that there would be a determination, because I think it is very unfortunate and unwise that when somebody allows their name to be put forward and you have these allegations in the newspapers about misconduct or impropriety, the impression is left with the public that that is, in fact, the conclusion, if the White House withdraws