

member of a subcommittee with jurisdiction over other matters that Foreign Relations Committee Chairman HELMS had linked to action on the Convention, I had worked hard with Senator HELMS and others to get an agreement to bring the ratification resolution to the floor. While he was majority leader, Senator Dole agreed that we should have a vote on that resolution, and we secured a unanimous consent agreement that ensured the Senate would consider and vote on the resolution of ratification before the end of the 105th Congress. But then, in the heat of Presidential politics, although President Clinton strongly supported ratification of the convention, Senator Dole, as the Republican nominee for President, suddenly announced opposition to the CWC. That called into question whether the necessary two-thirds majority vote for ratification could be secured. So we delayed action on the resolution.

Mr. President, the time for action on this convention has arrived. It is now. We are beyond the complications of a Presidential election. We have held the hearings, many hearings, in four separate Senate committees. We know the facts. The support of the defense and intelligence communities and leaders is strong and clear.

And now there is one more very important reason for expeditious action to approve the resolution of ratification. If the United States has not ratified this convention by the time it takes effect on April 29, by its terms U.S. citizens will be ineligible for appointment to the OPCW administrative staff and corps of international inspectors, and, therefore, we will forfeit the opportunity to influence its decisions, its budget, and inspection practices that our negotiators led the way to secure. To be sure, if the United States later ratifies, Mr. President, American citizens will become eligible for such posts but only as they become vacant at some point in the future. Our Nation will have irrevocably lost out in the vitally important initial formative policy making and procedure development.

As scores of newspaper editorials around the country have said, those who believe the threat of chemical weapons is real, and who realize that our intelligence and defense organizations need all the help they can get to identify where chemical weapons are being manufactured and stockpiled, must not let a small group of Senators prevent the U.S. Senate from acting on this important treaty.

I urge the majority leader to act in the interest of our country and our people and, in the interest of our institution and its constitutional right and duty to advise and consent to treaties, to permit the Senate to act on this treaty, which I believe a significant majority of this body supports.

We cannot permit the perfect to become the enemy of the good. We must not permit those who make that mis-

take to prevent us from acting in the best interests of our Nation and its people. And we cannot allow some cloudy objections to obviate the facts and prevent this institution from discharging its responsibilities.

I believe it would be a grave mistake to deprive our Nation, our Armed Forces, and our citizens of the additional protections from the threat of chemical weapons that the Chemical Weapons Convention offers. And I think it would be foolish for the United States to relinquish the influence it will gain in implementing this critical treaty if it fails to ratify the Convention by April 29.

Mr. President, I thank the distinguished Senator from New Mexico for his forbearance.

I yield the floor.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. Under the previous order, the Senator from New Mexico is recognized for up to 30 minutes.

Mr. DOMENICI. Mr. President, first let me ask. Is my 30 minutes the last business before the Senate today?

The PRESIDING OFFICER. There are 15 minutes reserved for the Senator from Nebraska, Senator KERREY.

Mr. DOMENICI. Might I say, as much as I would like to use my 30 minutes, I do not want to delay the Senate indefinitely tonight. If Senator KERREY intends to use time, let me suggest I could probably finish in 15 minutes.

BALANCED BUDGET AMENDMENT TO THE CONSTITUTION

Mr. DOMENICI. Mr. President, might I first say that it is a pleasure to address this issue with the senior Senator from the State of Washington in the chair. I don't know that what the Senator from New Mexico is going to speak to today is needed to edify the occupant of the chair, but I think it is imperative that, after an awful lot of talk about a constitutional balanced budget and its potential effect on the Social Security trust fund, that some of us state what we think this whole scare about the Social Security trust fund is all about.

So let me first say to the senior citizens that I gather now that you know the emotional ramping up by frightening senior citizens is beginning to take place out there in our States and communities. Let me, to the extent that I can, say to the seniors who are listening to those who would like to make you believe that they are really here arguing to save Social Security, suggest to you that what they are really arguing about is that they don't want a constitutional amendment to balance the budget and they have now hit on what I perceive to be a risky gimmick in an effort to frighten seniors and by that approach defeat a constitutional balanced budget amendment.

I might say to the seniors of this country, it is now the almost universal

consensus of those who look at the next 25 years that the most important thing for senior citizens and the best effect on the trust fund is that this economy grow and grow and grow and that we have low inflation and sustained economic growth. Those who have worked for decades, looking at what is going to happen to Social Security and putting into that all of the mix that goes into it to see what they can project, without exception they testify here and everywhere, do not forget that you must have a sustained and growing economy for these numbers to be believable about the validity of this trust fund in the future.

Having said that, it would appear that balancing the American budget and keeping it balanced is probably in and of itself the single most important factor—not the only factor, but the single most important factor—to productivity, growth, and prosperity when you already have a \$5 trillion accumulated series of deficits which now equal the debt.

So let nobody be fooled, for those who want to inject Social Security and are trying to take it off the budget of the United States, the risk is we will never get a balanced budget. It is my honest opinion that it was not an overstatement of the case when 29 budgets were piled up here. In fact, I didn't have time to ask somebody, but how many times in those 29 budgets can Presidents say, "I am giving you a balanced budget?" How many times after they were presented did Congresses of the United States say, "Oh, we are going to do better, we are giving you a balanced budget?" It never happened. And it will not happen. In fact, we are all dedicated to getting it balanced by 2002. But I am suggesting, as one who is as dedicated to that mission as anyone here, that you are far more apt to get it and keep it with the organic law of this land saying that is the way it is going to be, it is the law of the land.

Having said that, let me see if I can convince senior citizens and those in this body who are worried about the issue of should you have Social Security on budget or off budget.

First, just from the standpoint of a budget, you know Social Security is now the largest program in America. The tax for it is the largest single tax on America and Americans of all the entourage and litany of taxes we have. Literally 55 to 60 percent of the public pay more in Social Security and Medicare taxes, I say to my friend occupying the chair, pay more in that tax than they pay in income taxes.

Just from the standpoint of a budget, doesn't it seem kind of strange that you would say Americans should have a budget and it should be balanced, but, oh, let us take all of that big program that I have just described and all of those taxes and let us just take them off the budget?

So it is rather ironic that we speak of budgets and leave all of that which is so important to our future, so important to our young people who have

jobs—because the taxes there must be compared with what? With the taxes that the rest of society imposes on us. You cannot leave those taxes and those payments out there untouched, unrelated as if they have nothing to do with the corporate income tax and the individual income tax and the State taxes. They are all related, and they should all be part of our budget as we look at it.

Now, I am not sufficiently versed in economics, but I have learned something because New Mexicans have sent me here long enough that, if nothing else, by osmosis I learn something about it because I sit there with my colleagues most of the time and they talk and I listen. Frankly, the United States made a decision that to be real about its budget, you ought to use a unified budget. We decided that more than two decades ago. And it serves us very well in trying to look at the effect of taxes and expenditures on the American economy and our people.

Therefore, point No. 1. For those who are talking about gimmicks to frighten us into not passing the constitutional amendment, the first thing that is happening that is very, very dangerous is they are denying senior citizens the most significant tool to assure the success of Social Security.

Now, a second point.

Since Social Security is on budget now and it has a surplus now and the surplus will go away at some point in the future and we will be starting to spend that, there are some now who are saying to seniors we better take it off budget so they cannot spend it. Get it. Take it off budget so they cannot spend it. Take it off budget so you cannot borrow from it.

Listen for a minute. You take the Social Security trust fund. It is defined by statute law. It is not going to be in the Constitution. Who defines statute law? Who defines statute law? Congress. Congress defines statute law. So you take off a huge amount of money and a huge amount of taxes and you say it is no longer in this budget because we do not want anybody to spend it or borrow it.

Friends, in particular senior citizens, do you believe your trust fund is protected by being out there all alone, running up huge surpluses, subject to whom? Who can spend it? Who can spend that surplus? Oh, the same Congress that has been creating all these deficits.

You mean they cannot spend it? somebody is going to stand up and ask. Of course, they can. All they have to do is pass a statute and spend that surplus. On what? On what? Right now you have to invest it in Treasury bills of the United States. But I say to our friend from Michigan, over the next 20 years as that surplus is there and as Congress feels the pinch of not having money to spend over here and perhaps a Medicare system that is really hurting; 6 years from now we have not helped it very much, or 8, and it is

hurting for money to pay the bills, what do you think is going to happen? Congress is going to say, well, it is all seniors, right? Let us spend \$48 billion for what we need for the next 6 months for Medicare. Let us take it out of the trust fund.

Mr. GORTON. Will the Senator from New Mexico yield for a question?

Mr. DOMENICI. Of course.

Mr. GORTON. Is that not exactly one of the forms of risky gimmicks that the Senator spoke of should we adopt this amendment?

Mr. DOMENICI. My friend, it is the biggest potential gimmick I have ever seen. And let me tell you, if there are those who say this cannot happen, I will give you one. The President in this year's budget decided that another trust fund, the Medicare trust fund—in this case it was running out of money, but the President decided I am going to tell Congress to just take out \$82 billion of the expenditures that are in that trust fund, right, by fiat, by law. Who is going to do that? Congress is going to pass a law, he says, take out the \$82 billion and let somebody else pay for it.

Now, if you can do that, you can take a trust fund that is very solvent and do the exact same thing. A President says, well, look, it is going to take us 5 more years to fix this Medicare mess so why not just borrow from that trust fund. It is sitting out there. It is all alone, right, and we do not want to count it over here on our budget because we thought it was really going to be protected if we took it out there, and lo and behold, that budget could have that very same thing in it. That is the real kind of gimmick that is going to be used.

Mr. GORTON. Will the Senator from New Mexico yield to another more general question?

Mr. DOMENICI. Sure.

Mr. GORTON. Am I not correct in remembering that we went through exactly this same debate 2 years ago at the time at which the balanced budget constitutional amendment ultimately was defeated by one vote in the Chamber of the Senate?

Mr. DOMENICI. Absolutely.

Mr. GORTON. And we heard all of the same alarms from those who ultimately opposed the balanced budget amendment about the future of Social Security at that point?

Mr. DOMENICI. No question about it.

Mr. GORTON. Now, perhaps my friend from New Mexico, who is the chairman of the Budget Committee, and who has totally immersed himself in these problems, has a better memory than I have, but does the Senator from New Mexico remember any proposal after the defeat of the constitutional amendment last time by those who opposed it that would buttress or build up the Social Security trust fund, any changes in eligibility, any increases in the payroll tax or not? I remember no attempts in this last 2 years to do anything about this imminent or future in-

solveny of the Social Security trust fund. Does my friend from New Mexico?

Mr. DOMENICI. I think the Senator is absolutely correct.

Mr. GORTON. So is it the net result of the defeat of the constitutional amendment 2 years ago that we are simply 2 years closer to the insolvency of the Social Security trust fund and the Medicare hospital insurance trust fund?

Mr. DOMENICI. Absolutely right, without a question.

Mr. GORTON. Is it not also true that all of those, almost all of those who opposed the balanced budget constitutional amendment 2 years ago told us all that was required to balance the budget was courage and dedication on the part of the Congress itself? Is that not pretty much the message that we constantly get from them?

Mr. DOMENICI. That is absolutely right.

Mr. GORTON. And did we not take them up on that proposal and did we not, in fact, pass through the Congress of the United States a budget that would have been balanced by the year specified in the constitutional amendment and would have postponed for an extended period of time the insolvency of the Medicare hospital insurance trust fund?

Mr. DOMENICI. Absolutely.

Mr. GORTON. And was that not opposed by all of the people who opposed the constitutional amendment with the single exception of the then Senator from Oregon and vetoed by the President of the United States?

Mr. DOMENICI. I think that is right.

I might also say to the Senator I am going to give myself enough latitude so that I know I am right, but I think that same balanced budget to which the Senator alludes, if carried out and all of the changes made in it and projected it out beyond that time, would be balanced 3 years, no longer than 3 years thereafter without using the Social Security trust fund.

So what I am saying, you put yourself on a trend line by entitlement reform to where you cannot get to balance without the Social Security trust fund in the process of accomplishing your major goal of getting it balanced within the unified budget with everything on budget.

Mr. GORTON. And is it not also true that whether this constitutional amendment passed or not, there would be no impact on the actual total spending of the Government of the United States or the total receipts of the United States; we would simply pretend that the largest single spending and social program were not a part of a budget or of balancing the budget?

Mr. DOMENICI. That is exactly right.

Mr. GORTON. And then in several years, in a few years when the Social Security trust fund is paying out more money than it is taking in, Congress would be able to pretend that the budget was balanced when, in fact, we were

running a huge deficit in the Social Security trust fund. And, in fact, the Social Security trust fund could go absolutely bankrupt, could it not, and yet under that proposal the budget would still be balanced?

Mr. DOMENICI. The Senator is correct. In fact, I did not bring to the floor a chart showing that, but it is one of the wonderful, factual presentations about how, after a few years, what they have been talking about down here, about "the Social Security fund ought to be off budget so we can handle our matters within the rest of the budget and how we can protect its solvency," it turns out that down the line a little—and if we do a constitutional amendment, it is going to be down the line for a long time, it should be here forever—when the Social Security fund starts to spend out and go in the red, guess what we can do? We can let it go right on in the red and spend. But over here on the rest of the budget, which we call the unified budget less Social Security, you can spend so much money in that budget and still be in balance because you are not charged with the deficit in Social Security. It is billions, about 18 or 20 years from now. You are going to be able to spend on this unified budget, less Social Security, something like \$7 trillion more than you are currently expecting to spend, and be in balance, because you let this other big deficit occur and you do not do anything about it.

I want to add one thing. You could have asked me, "Senator, when you have this trust fund sitting out here all by itself and it starts to go in the red, because we did not have the guts to fix it, and over here is the rest of this budget, it has been kind of wallowing around, now, Congress gets together and says, 'How do we fix that Social Security?'" Guess what, they can borrow money without being subject to the constitutional amendment and put it in that trust fund. They could borrow \$5 trillion. And guess what we would be doing? We would be getting ourselves right back in the mess of borrowing to pay deficits.

Mr. GORTON. That \$5 trillion figure, you did not pull that out of thin air, did you? That is what the indicators show we would have?

Mr. DOMENICI. That is correct. And, frankly, I have to say, in all honesty—I had a group of seniors I talked to today. They said to me, "You may be right, and you may be more right than them." But then they said, "Can't Congress, if you take it off budget, can't you just pass a law so none of these terrible things will happen to this wonderful trust fund?"

And I said, "By asking me if we could pass a law, you have just answered your own question. Of course we could." But Congress makes the laws and Congress changes the laws. Consequently, we could protect it by statute and then, when it got in trouble, we could unprotect it by statute. But if you insist that it be counted in the

unified budget, then what you are saying is when money is spent out of it, it counts. And you have to find, within a budget, some cuts to make up for it. And that is especially the case when Social Security starts to go in the red, if it does, and probably at some period in its history it will for awhile.

Mr. GORTON. In summary, then, I ask my friend from New Mexico, that is just one of the reasons that this proposed change in the balanced budget constitutional amendment is a risky gimmick, and the risk is to Social Security and its beneficiaries themselves; is that not correct?

Mr. DOMENICI. That is absolutely right.

Mr. GORTON. I thank my colleague.

Mr. DOMENICI. So I want to wrap up my few minutes. I thank the Senator for his questions which made my presentation far more understandable than had I gone on rambling for 15 minutes.

But essentially the truth of the matter is, if the risky gimmick being offered by some defeats the constitutional amendment, that will inure to the detriment of senior citizens, for we will probably never have a sustained and long-term balanced budget, and that is what Social Security needs more than anything else.

Second, the risky gimmick is to take it off budget and subject the entire trust fund to the will and whim of Congress and Presidents, without any of the discipline that would come from the spending and borrowing that you must account for within a unified budget.

I have a couple of graphs that explicitly show what I have been showing. I am going to have them printed in the RECORD, especially with respect to what happens when Social Security starts to spend out more than it has taken in, the future amount of money that is then available on budget to spend without having any effect on the budget.

I yield the floor and thank the Chair.

The PRESIDING OFFICER (Mr. ABRAHAM). The Senator from North Dakota.

Mr. DORGAN. Mr. President, are we in morning business?

The PRESIDING OFFICER. We are. The Senator is authorized to speak for up to 5 minutes.

Mr. DORGAN. Mr. President, the Senator from New Mexico is one of those I admire most in this Chamber. He is one of the brightest and most interesting Members to serve with. He has demonstrated over many years and many disciplines a great knowledge and great intellect. I have always enjoyed serving with him.

With great respect, I think he is so wrong on this issue, but I say that with the greatest respect.

Mr. DOMENICI. I thank the Senator for his kind remarks.

BALANCED BUDGET AMENDMENT TO THE CONSTITUTION

Mr. DORGAN. Mr. President, I want to give the other side of exactly the

issue the Senator from New Mexico has just spent some time describing. I say this not because I believe my side is right and therefore he is here doing something untoward. That is not the case. I think we have a disagreement here about this issue that is very substantial, and it is very important. I do not suggest that someone who does not agree with me on this position is out here deciding to play games or to take a position for anything other than a noble purpose. But, by the same token, I feel so strongly that the discussion I just heard is wrong, I feel compelled to correct it, at least from my perspective.

Let me describe what we have. We have a proposal to change the Constitution of the United States. Some refer to it repeatedly as a proposal to balance the budget. It will not do that, and no one who understands the difference between a statute and a constitutional change should refer to it as balancing the budget. You can change the Constitution 2 minutes from now, and 3 minutes from now you will not have altered by one penny the Federal debt or the Federal deficit, and there is not anyone in here who would stand up and contest that, I would judge. So this is not about balancing the budget. It is about altering the Constitution.

I am prepared to alter the Constitution under certain circumstances, but I will not—repeat, not—support an approach that changes the Constitution of the United States in a manner that I think will create more problems than it solves.

We have, and will vote for, a constitutional amendment to balance the budget. We will all be required to vote on a couple of versions of that, one, the version proposed by the majority, one, a version that I will introduce as a substitute amendment. So we will have an opportunity to vote on a constitutional amendment to balance the budget. The version proposed by the majority says this. It says that revenues and expenditures in future years must be relatively equal so that you are not running a deficit. And that includes counting all of the revenues and all of the expenditures. Period. End of description—I think a fair description of what the majority is proposing.

The problem with that is this. We have a separate program in Government, one of the largest programs, called the Social Security system. It has been a very successful program. But we have a demographic problem with our Social Security system. We have a group of babies born who represented the largest group of babies born in our history, and when they hit the retirement rolls, we are going to have a significant strain on that system. And so, a decision was made some years ago to save for that purpose, and therefore this year, and last year, and next year, to run a surplus, a very significant budget surplus in the Social Security accounts, only in those accounts, in order to have that available to save for the future.