

new education initiatives, we fund the one we have on the books, we fund the special-needs program, and we fund it appropriately.

So every amendment, every proposal that comes to this floor for a new education initiative will have with it, I assure you, an amendment which will say, special ed is our first obligation, the special-needs child is our first obligation. Let us look to that before we start a new program. Let us fulfill our obligations, before we start a new program, to the special-needs students and to the local taxpayer.

Mr. President, thank you for your courtesy and for the extra time. I yield back my time.

THE PRESIDING OFFICER. Thank you.

Under the previous order, the Senator from Wyoming, [Mr. THOMAS] or his designee, is recognized to speak for up to 60 minutes.

Mr. THOMAS. Thank you, Mr. President. Let me assure you that I do not intend to talk for 60 minutes. However, we do intend to use some time as a special order today and will be doing this over a period of time to talk about issues that are important, I think, to the American people and that are important to this Congress, the issues that we now begin to deal with.

THE BUDGET

Mr. THOMAS. We are going to talk about the budget—not a new idea, but, I suspect, the most important issue that we have to talk about, because everything else, everything else that is discussed here, everything else that is decided here will be a function of doing something with the budget.

The Senator from New Hampshire, who just finished, talked about education and special education, which happens to be something that I am very interested in, but it is budgetary; it has to do with the budget.

The budget has to do with more than just arithmetic, more than just a balance sheet; it has to do with priorities, it has to do with fiscal responsibility for our kids, and our grandkids, it has to do with deciding what our direction will be in this country in terms of the Federal Government.

So, Mr. President, we want to talk about that this morning. I will be joined by several of my associates in the freshman and sophomore class who have come together to put a focus on events, and particularly a focus to try to talk about how what we do here with regard to the budget in this instance has to do with where we live, has to do with you and me in terms of our families, has to do with how we have the resources to send our kids to school and pay our bills. There is a direct relationship.

So let me yield 10 minutes to my friend, the new Senator from Arkansas, Senator HUTCHINSON.

THE PRESIDING OFFICER. The Senator from Arkansas is recognized.

Mr. HUTCHINSON. I thank the Senator. Mr. President, I rise today to voice my support for the balanced budget amendment to the U.S. Constitution, Senate Joint Resolution 1. I speak not only for myself, but I think I speak for thousands and thousands of Arkansas voters and their families who sent me to Washington with a primary goal of balancing the Federal budget and getting our books in order.

Arkansans, like most Americans, are hard-working, decent people with jobs and families facing constant pressure to make ends meet. Gathered around the kitchen table, these families, like so many others, pay their bills, attempt to budget for future expenses, and say no to the things they cannot afford. They act responsibly. Also, they act with the fear that a prolonged illness or unexpected job loss could push them over the edge, robbing them of financial security and destroying everything that they have worked for and saved. America's families have been forced to live within these limits. My question to the U.S. Senate is, can we ask any less of the Federal Government?

My colleagues, we carry a heavy burden. That burden is both the annual deficit that we caused and the debt that we have created. As of February 3 of this year, our national debt stood at over \$5 trillion. Whenever I hear these numbers I have to ask myself, what does that number mean, what does it mean to me, or better yet, how can we visualize numbers of this magnitude? Author David Schwartz has written a book entitled "How Much Is a Million?" It is a book to help parents explain large numbers to their children. Maybe it will help us as well. One of his examples says, "If a billion kids were to stand on each other to make a human tower, they would stand up past the moon. * * * If you stood a trillion kids on top of each other, they would pass beyond Mars and Jupiter * * * and almost as far as Saturn's rings." In another case he says, "If you wanted to count from one to one trillion * * * it would take you about 200,000 years."

Let me take a moment to put this kind of massive debt into perspective for those slightly older: \$5 trillion of debt translates into over \$19,000 for every man, every woman, and every child in America. That is practically equal to having an additional midsize car payment without having a vehicle. The debt of an average family is more than \$72,000. That could be the equivalent of owning a second residence without being able to stay there. For a family or person who owns a home, it amounts to an additional \$37,000 on average tacked on to their mortgage, without raising the value of their home. For many young adults who are taking advantage of student loans to obtain a better education, the national debt can ring up \$2,200 in additional costs on that loan. This significantly impacts the paycheck of the recent young college graduate who must make

larger than anticipated loan payments at an entry-level salary. For those persons trying to afford a new car, the national debt means the price of that car will go up another \$1,000.

At the conclusion of 1 hour of debate, the 60 minutes that Senator THOMAS has reserved, 1 hour of debate on this resolution, our country will owe roughly \$29 million more than it did when we started the debate.

Last night, the President advocated that we change the Constitution to protect victims rights, but he rejected and condemned the notion that we should amend the Constitution to ensure that our Government lives within its means. As if we were rewriting the Constitution to ensure a balanced budget, saying that is not a requirement, we should not do that. We have the authority; all we have to have is the discipline. I will sign it; you pass it. And yet in the same speech advocating that we change the Constitution to protect victims rights.

There are those who have said that a balanced budget amendment would wreck the economy. Well, business probably more than any other part of our economy has felt the effects of our huge national debt. Government has siphoned billions of dollars in investment capital, which, in turn, restricts our economy from reaching a higher growth potential. Deficits make businesses compete with Government for money, causing interest rates to be higher than they should be. With interest rates higher than necessary and private capital formation being stifled, it is quite possible to foresee lower living standards in the future, even in this time of slow growth we have experienced.

National growth rates of 2 to 3 percent simply are inadequate for America. Balancing the budget can mean an additional \$88.2 billion of capital investment in the first 7 years that we have a balanced budget. The less money being taken by Government, the more money that is available for economic development and job growth. Even more important, we have seen evidence that our debt and annual deficits have restrained the ability to make a better life for all of us.

The Federal Reserve Bank of New York reported that deficits have kept our standard of living down by 5 percent. However, if we decide to make the choice to balance the budget by the year 2001, the General Accounting Office has stated it would lead to a 35-percent increase in the standard of living. Just think what that would mean in spending power to middle-class Americans. A balanced budget amendment will propel Congress to do what legislative remedies, with such words as "firewalls," "spending ceilings," and "lock boxes," what all of those statutory techniques have failed to accomplish since 1968. This measure will give the impetus to set goals and make priorities without budget gimmicks which have characterized the process over the

last 30 years. It will make the budget process look more like what happens with our families than the current situation.

For most of the history of our country, the budget was balanced. Permanent deficits were viewed as intolerable. Permanent deficits were viewed as something that was wrong. Chronic deficits were unacceptable not because of the constitutional prohibition, but because of a deeply embedded moral belief that permanent deficits were simply wrong, a principle held by politicians and the general public alike. With the creation of entitlement programs in the 1960's, the proclivity of politicians to expand these popular and expensive entitlement programs have gone virtually unchecked. The intolerable increase in spending has had the inevitable result of persistent deficits and an ever expanding national debt.

James Buchanan, a professor of economics at George Mason who testified in 1995 before the Senate Judiciary Committee, said, "The immorality of the intergenerational transfer that deficit financing represents cries out for correction." He is so right. He calls it the "immorality of the intergenerational transfer of deficit spending." What he calls the "immorality of inter-generation transfer" is nothing less than one generation stealing from another generation. The fundamental moral code of our Judeo-Christian tradition says "thou shall not steal." That sets the standard. Every time we as a Government spend one dollar that we do not have, we are stealing from our children.

From the establishment of the Republic, our Founders saw public debt not only as immoral but as the principal threat to the survival of our representative democracy. James Madison said, "I go on the principle that a public debt is a public curse and in a republican government, a greater curse than any other." George Washington, in his farewell address, called the accumulation of debt "ungenerously throwing upon posterity the burden of which we ourselves ought to bear."

Indeed, the War of Independence was fought over the principle of taxation without representation. The Founders also knew that deficit spending would impose exorbitant tax rates on coming generations to pay for the debt accumulated by our own conspicuous consumption.

My colleagues, this is the ultimate taxation without representation. When we immorally steal from our children, from our grandchildren, ensuring that they are going to face ever increasing levels of taxation without the right to have any say about it today, Mr. President, the time has come for us to stop stealing from our children and stop the chronic deficit spending by the adoption of a balanced budget amendment to the Constitution, sending it to the States for ratification. We must do it now.

I thank Senator THOMAS for yielding.

(Disturbance in the visitors' galleries.)

The PRESIDING OFFICER. The gallery is reminded not to display expression of approval or disapproval.

Mr. THOMAS. Mr. President, I thank the Senator from Arkansas.

It seems to me that is a very important aspect of this business of balancing the budget. It is not only a mechanical matter, it is not only a fiscal matter, it is a moral matter, and whether or not we have the responsibility to balance the budget and pass on to our kids something that is as good as we had.

Certainly the economics of it are very important, the economics in terms of the amount of interest we pay and all those things.

But it is a moral imperative that we be responsible for what we are doing. If we are going to buy it, we have to pay for it. That is a great concept. I thank the Senator from Arkansas.

Let me now yield 10 minutes to the Senator from Ohio, Senator DEWINE.

The PRESIDING OFFICER (Mr. ENZI). The Senator from Ohio is recognized.

Mr. DEWINE. Mr. President, I thank my colleague and friend from Wyoming.

I rise today also to support the balanced budget amendment to the Constitution. There is no doubt about the need for a balanced budget. We all agree on the huge benefits that will accrue to America if we put our fiscal house in order.

To begin with, it would stave off a horrible catastrophe. Mr. President, if we do not establish a balanced budget and if we choose instead to continue on our present course, by the year 2012, the whole budget is going to be eaten up by entitlements and by interest on the national debt. There will be absolutely no money in the domestic discretionary budget for investment in the future of our children—no money, zero. No money for Pell grants, no money for student loans, no money for National Institutes of Health research, none of the things that really are an investment in our children, our grandchildren, and our great grandchildren. This alone is good enough reason to balance the budget—to avoid a social and fiscal disaster.

Mr. President, there will also be a huge positive benefit from a balanced budget. According to the latest estimates from the Congressional Budget Office, a permanently balanced budget could make our country 25 percent richer by the year 2030. That is outstanding news. That's why so many Americans are very happy to see the signals coming out of the budget process that we may be getting close to an agreement on a balanced budget. That would mean a better future for America. It's that simple. We all agree on this.

But the question we have to ask ourselves now is: Do we need to write this practice of budget balancing into the

Constitution of the United States? Some might contend that our recent success at reducing the deficit proves that a constitutional amendment is unnecessary. Some may say and may tell us that if it's not broken, we don't need to fix it.

Mr. President, that may seem to make sense on the surface, but that argument flies in the face of history. It doesn't make sense when we consider the fact that it has taken the Congress 27 years to make the limited progress we are seeing today—27 years. It took 27 years, Mr. President. The last time the Federal budget was balanced was in 1969. My wife Fran and I were graduating from Miami University in Ohio in 1969.

So of all the arguments against the constitutional amendment, the argument that it's easy enough to balance the budget is certainly one of the weakest. No, Mr. President, our decision on the balanced budget amendment has to be based on a much more fundamental criteria. Indeed, on a matter of conscience.

The question all of us have to ask ourselves is simply this: How important is a balanced budget? Does it rise to the level of a constitutional principle? In other words, is it a fundamental component of what we want to be as a nation? This is a question we all have to answer for ourselves, reflecting on our own deepest values, as well as those of the people who sent us here to make the decisions.

My decision is based on the America I want my children and my grandchildren to inherit a nation bound by its fundamental law to pay its bills on time, to avoid pulverizing future generations with a towering national debt; in simple terms, Mr. President, an America that says no longer are we going to borrow from our children and grandchildren so we can live better today.

In my view, Mr. President, that is as close to a bedrock principle as we can find in political life. I believe it must be in the Constitution. I believe history tells us that it has to be in the Constitution. That is why I believe, for my family, for the people of the State of Ohio and future generations, as well as the present generation, we must pass the constitutional amendment and send it out to the States.

Thank you, Mr. President. I yield the floor.

Mr. THOMAS. Mr. President, I thank the Senator from Ohio. You hear these arguments, and almost no one would disagree with the notion that we need to pay the bills. Few would argue with the idea that it is irresponsible for us to leave it for someone else to pay later. Yet, it has been 1969 since we have had a balanced budget. There is a legitimate argument to be addressed that we must be flexible if there is a war or a disaster. There has to be some movement, as there is in your family. But the fact is that we haven't done it.

We have not done it. So we need to make some difference. You can't expect to change things if you continue to follow the same course. That is precisely what has gone on here.

So we have an opportunity now, for the first time in some time, to do what I think most people believe ought to be done. You might ask why are the freshmen and sophomores particularly doing this this morning, and doing it as a focus on issues throughout the year? I think it is because we are the ones who have most recently gone through the elections, who have most recently been to Greybull, WY, and small towns in Ohio. We know that people want to balance the budget. We know that the folks where we come from say, "Look, we have to be fiscally responsible, and our State has a balanced budget amendment. We have to do that stuff, and it works." Furthermore, we want some control of the growth in Federal Government. We don't want it to grow exponentially. We want it to be under control. Everyone in this place says, "Yes, I am for a balanced budget, but I don't want to do anything that would cause us to have to do that. I don't want any discipline applied." I think that is the issue that we are coming upon, the issue we will deal with. Do you want a balanced budget? Yes. How do we get there? Just do it. Well, that doesn't work, and it hasn't worked for some time.

So that's what it's all about and where we are. We are talking about a process to cause us to do the things that almost unanimously we would choose to do. Mr. President, I am glad to be joined by the Senator from Kansas to talk a bit about the balanced budget.

I yield 10 minutes to the Senator from Kansas.

The PRESIDING OFFICER. The Chair recognizes the senior Senator from Kansas.

Mr. BROWNBACK. Mr. President, I thank my colleague from Wyoming for recognizing me for this opportunity. This is my first opportunity to speak, as well, on the U.S. Senate floor. It is a tremendous honor, privilege, and responsibility to do so. I am delighted to be speaking on the U.S. Senate floor for the first time about balancing the budget and about the balanced budget amendment to the Constitution, which I feel is basically very important and critical for future generations. Now is the time for us to act and to address not just the financial health of our country, but also the freedom of our children and grandchildren, by passing the balanced budget constitutional amendment.

The U.S. Constitution is not only the foundation of our country, but also the standard bearer of our worth as a principled nation. The Constitution has guaranteed and defended the freedom of the American people. The balanced budget amendment is necessary to protect and defend that freedom for future generations.

But we must act now to preserve, protect, and defend the Constitution by giving it the strength it will need to continue protecting and defending the American people. The balanced budget constitutional amendment will protect our families, our children—my children, Abby, Andy, and Liz—and our future from the excesses of a government which, for much of this century, has shown its contempt for the integrity of our people by equivocations and false assurances. Deficit spending must stop, and the budget must be balanced. Right now, as I speak and as we have heard several speakers just before me speak on the U.S. Senate floor, our Federal debt is at an astounding \$5.3 trillion, which means that every American—every man, woman, and child—in this country owes today over \$19,000 per person. They can't just pay that off and say, "I am done with my share of the Federal debt." It keeps growing and growing. This is wrong. It is immoral and must stop.

Opponents of the balanced budget amendment will try, and have tried, to frame this debate in terms of fear. The Keynesian apostles will tell that you the economy will collapse in tough times. But the debate over the balanced budget constitutional amendment should not and must not be a debate framed in fear and falsehoods. It is really a debate about hope and about the future, and ultimately about the American dream.

That is why I believe that good Government is not sustained by the politics of cynicism and fear. Quite to the contrary, it is sustained rather by the honest desire of each individual to work for that which he believes to be right and just. The balanced budget is both right and just.

It is right because it means an end to the days of reckless Government spending when politicians made pork barrel promises that added too little to the public good and too much to the public debt.

The balanced budget amendment is just because it helps our families and protects our children by curbing the practice of tax and spend. It is just because it means an end to the hidden tax that our Government levies every year when it fails to balance its budget and pay down its debt.

It is a moral imperative, as some of my colleagues have spoken to, that we balance the budget and that we give ourselves the tools we need to balance the budget. How will future generations judge us if we have not the moral wherewithal to abolish the shameful practice of enslaving our children to the reckless desires of our bloated Federal Government? The system of burdening our children with the full cost of our present consumption is a great crime. We must not hesitate to bring it to an end.

One of the most insidious aspects of the budget deficit is that it amounts to a hidden tax on our income and on our children's future income. This hidden

tax is felt by everyone who has taken out a loan to pay for school, buy a car, or purchase a home. Higher interest rates are the taxes levied by a government that has not the courage to live responsibly, or even honestly. By balancing the budget, we will pay down the debt and we will free future generations from the shackles of Government debt. But we will do much more than free future generations.

A balanced budget will draw down interest rates, spurring new investment decisions, and increasing our gross domestic product. Lower unemployment and higher productivity is not the empty promise of a campaign season, it is the real promise of a constitutional amendment to balance the budget.

Yet, the ivory tower has railed against the balanced budget constitutional amendment because it would mean the end to unlimited Government deficit spending. The effects of a balanced budget promise a brighter future not only for our children and grandchildren but for ourselves as well. By eliminating the hidden tax on our American families, a family could easily save over \$1,500 per year. A balanced budget will produce that savings. Estimates by the Joint Economic Committee indicate that yearly savings on an \$80,000 home mortgage would be over \$1,200, and a student fresh out of school paying back a college loan would save about \$180 per year because of the resultant lower interest rates. American families and children are already taxed too much. They are taxed to the max. They, more than anyone else, deserve a break.

The balanced budget amendment is right in principle and in practice. In fact, it was Jefferson in 1816 who acknowledged, "Public debt is the greatest of the dangers to be feared."

As I said frequently during my campaign for the U.S. Senate, which was just completed and which placed me in this body with the gracious will of the people of Kansas, I believe that we are each placed on this Earth for a reason and for a short season. I believe that the task of our generation is to renew the American culture and to restore responsible Government and the promise of the American dream to the people.

We must act now. And in this matter of balancing the budget, we must act now and pass the balanced budget amendment to the Constitution.

I yield the floor.

Mr. THOMAS addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the senior Senator from Wyoming.

Mr. THOMAS. I thank my friend from Kansas and welcome him in his initial visit to the floor. I am sure he will be back many times, and I hope that is the case.

Mr. President, we have now an opportunity. I am optimistic about it. We all heard the President's State of the Union Message last night. He listed a great many things that he is interested in. Certainly most of them are positive

kinds of things that, in one way or another, we want to work with as well.

So we listened to the President. We listened to the voters. We listened to the American people. And now we are ready to work on some solutions toward really all of America.

There is a plan soon for the congressional leadership to visit with the President, to sit down and talk about a number of things. Balancing the budget is one. Improving education, certainly, to move more and more education toward local communities and parental involvement; to provide some permanent tax relief so that we can increase investments, so that we can increase jobs, and so that we can increase the ability of families to prepare for themselves. Much of that is affected by what we do. What we do about interest rates that have a direct impact on the budget has much to do with what we do with this debt, a debt of \$5.5 trillion, the interest upon which will become, if not this year, soon, the largest single line-item in the budget—\$275 billion in interest, none of which is used for education, none of which is used to fight drugs, and none of which is used for investment—interest on the debt that we accumulate.

Mr. President, I am excited that the President of the United States said to us last year that the "era of big Government is over." He said that the Government is not the answer to everything, that we need to be responsible, that we need to be responsible to ourselves as individuals and citizens. Certainly, that is true. We need to be responsible as a Government, and we need to be responsible as people who have been sent here to deal with the budget—about physical matters.

So that is what we are dealing with, two things: One is balancing the budget and being responsible; and then having the ability, which we have not had for 28 or 29 years, of doing it, and how do we change things to cause that to happen? We believe that it is the balanced budget amendment to the Constitution, which provides, as it does in Wyoming, Mr. President—as you well know just coming from the legislature there—a requirement as a legislature and the Governor not to spend beyond its revenues. It works. Many other States have the same kind of thing.

So we have heard for some time from our voters and our constituents that they want smaller Government, a Government that is more efficient, and a budget that is balanced. We have heard from the President that he is ready for a smaller Government, that the era of big Government is over.

We will see his budget, I think, tomorrow, and that will be when the rubber really hits the road. It is not just talking about it, but doing it. We will be sharing that responsibility with the President to do that.

There will be all kinds of suggestions as to how a balanced budget ought to be changed. There will be some scare tactics saying it is going to ruin Social

Security. If you want to protect Social Security, you need to balance the budget. I am one who believes that we ought to have a Social Security net for the elderly. I want to continue it. I do not want to see it run out. The same is true with Medicare. The best way to do that is to balance the budget. If we do not do that, we will not have money to do any of those kinds of things.

So we will hear a lot about it. We need a budget that is honest. We need one that is out there not one that is backloaded, where it looks good for a couple of years and all of a sudden for somebody else it is piled up at a very high rate. We need one that is honest and forthright. We do not need gimmicks. We do not need to move things from one place to another. We do not need to trigger it so that it takes over in a certain way. We do not need budgets that have tax relief in it for a little while and then they go away. We need some real honest budgeting so that everyone is confident in understanding that that is where we are.

I hope each of us remembers the impact it has on everyone at home. Interest rates could be lower. Debt for kids to go to school could be less. Borrowing on our homes, borrowing on our cars, these are all related. This is not an abstract thing that belongs in somebody's accounting book. This is not for accountants and CPAs only. They affect each of us where we live. Families pay \$1,500 a year easily on mortgage payments. So these are the kinds of things that we are doing.

So I think all of my associates welcome the President's commitment to a balanced budget. We certainly look forward to his ideas and to how that budget will work as he releases it tomorrow. But most of all, I think we need to take the responsibility to make the changes that have to be made, and now is the time.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DORGAN. 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. DORGAN. Mr. President, I ask unanimous consent to proceed in morning business for as much time as I consume.

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

THE CONSTITUTIONAL AMENDMENT TO BALANCE THE BUDGET

Mr. DORGAN. Mr. President, we have had ample discussion this morning about a wide range of public issues, discussion about the President's State of the Union Address, and a discussion about the agenda before the Congress. I wanted to comment on a bit of that, and then begin a discussion about the

constitutional amendment to balance the budget, which the Senate will shortly take up.

First the general issues. I do not think there is a difference between folks who serve in this body on Government or the size of Government. I mean, I don't think there is a case where one side says, "We want bigger Government."

I don't want a bigger Government. I want a better country, and there are some circumstances under which the requirement for schools and roads and other things that we do together in Government are necessary. I want us to improve the things we do in Government. But there are things that are important for us to do together in Government.

Part of the agenda that we discuss, part of the reason for us being in a U.S. Senate, is to decide what to do together to make this a better country.

Provide for the common defense? Yes, we do that. We have a Defense Department. We created it, and we fund it. We ask men and women in uniform to go out and help preserve this country's liberty and put their lives on the line to do so. That is part of Government.

Roads, schools, research in health care at the National Institutes of Health, the Coast Guard, and so much more—we do those things together. We should do them well. We should make sure they contribute to a better country and achieve the goals and objectives that we have for those functions.

Some come to the floor and they say: Our objective is less Government, balance the budget, two or three other things, and that's all. My objective is this: I want better schools for our kids in this country, and we can do that and we should do that. And I want better paychecks for workers in this country.

That has always been the legacy of what we fight for, a country in which workers might expect that they will have more opportunity, more job security, more advancement, their children will have more income and better opportunity and better educations.

I believe we ought to have good health care in our country, and that does not come by accident. At the turn of the century you were expected to live to be age 48; 100 years later you are expected to live to nearly 78. Is that magic? No. Massive research in health care in this country has developed breathtaking new medicine, breathtaking new procedures so that those with cataracts now get surgery and see, those whose heart muscles get plugged now get open heart surgery and live, those with bad hips get their hips replaced and are out of the wheelchair and walk. Good health care.

We don't see people getting on airplanes, leaving America to find good health care elsewhere. Our health care system is the envy of the world. By accident? No. Wonderful men and women working in health care, and a substantial amount of research, especially