

levels that are no higher than ours and then further reduce these barriers.

No. 6, we should seek cooperative agricultural policies to avoid price-depressing surpluses or food shortages.

No. 7, we should strengthen dispute settlement and enforce existing commitments. We honor our commitments. All too often, other countries that are party to these agreements fail to follow what they have pledged to do.

I think these are seven commonsense negotiating objectives we ought to lay out for our delegation to the WTO talks. I hope at some point we are able to offer that amendment.

I have indicated I want to offer an amendment allowing our farmers to qualify for trade adjustment assistance. The amendment I want to offer—and again, this is cosponsored by Senator GRASSLEY—makes farmers eligible for trade adjustment assistance similar to what is provided to other workers in other industries who suffer as a result of unfair imports. When imports cause layoffs in manufacturing industries, workers are eligible for trade adjustment assistance. But when imports cause the same kind of problem to farmers, they are not eligible because the test is job loss.

Of course, farmers don't work for a paycheck, they get their living by selling the commodities they produce. When they are faced with a circumstance in which they are unfairly impacted by trade imports, they lose their income but not their job. So when it comes to trade adjustment assistance, they are out of luck. They don't qualify for trade adjustment assistance. Farmers lose their income, and there is nothing to help them. In fact, this may be something we do to them ourselves. We may negotiate away certain sectors of our industry as we did in the so-called Canadian Free Trade Agreement. Yet we come back and do absolutely nothing for the sector of our economy that was traded away—in this case, farmers.

We have a case in my State where certain loopholes were negotiated in the Canadian Free Trade Agreement that allow Canadians to flood our market with Canadian durum. We can't send a bushel north, and yet there is nothing to help our farmers who were basically sold out in that negotiation. There is not one thing to be done to help them. We have lost hundreds of millions of dollars a year, and nothing is being done to provide assistance to those farmers. The least we could do is provide trade adjustments as we do for every other industry.

That is why I believe we must act on an amendment such as the one Senator GRASSLEY and I have crafted. Trade adjustment assistance for farmers can not only provide badly needed cash assistance to a devastated agricultural economy; it can reignite support for trade among many family farmers.

The Conrad-Grassley amendment would assist farmers who lost income because of unfair imports. Farmers

would get a payment to compensate them for some, but not all, of the income they lose if increased imports affect commodity prices. The maximum any farmer would receive in any one year is \$10,000, and the maximum cost of this amendment would be \$100 million a year.

Under our amendment, the Secretary of Agriculture would decide whether the price of a commodity has dropped more than 20 percent and whether imports contributed importantly to this price drop. The "imports contributed importantly" standard is the same standard the Department of Labor uses to determine whether workers are eligible for trade adjustment assistance when they lose their jobs.

In order to be eligible for benefits under this program, farmers would have to demonstrate their net farm income has declined from the previous years. This was a criticism leveled at the amendment in the Finance Committee, and we have added this provision to try to respond to that criticism.

Farmers would also need to meet with the USDA's Extension Service to plan how to adjust to the import competition. This adjustment could take the form of improving the efficiency of the operation or switching to different crops.

Training and employment benefits available to workers under trade adjustment assistance would also be available to farmers as an option. In most years, the program would have a very modest cost because very few commodities, if any, would be eligible. But in a year comparable to last year, when hog prices collapsed and wheat prices tumbled, the program would offer modest support to compensate farmers for the harmful effect of imports.

These are two amendments that I believe are totally relevant to the bill before us. One of these amendments I offered in the Finance Committee to this very bill. Now this legislation is on the floor and we are precluded from offering an amendment here. Again, I hope the leader will relent. I hope he will open it up so those of us who have serious amendments, amendments that deserve consideration, can at least get an up-or-down vote.

The second amendment I discussed, dealing with WTO negotiating objectives, I also think is directly relevant. Frankly, we are not going to have another chance to give instructions to our delegation before they go to the WTO Round. Before they commence these trade talks, we ought to have an opportunity to give negotiating guidelines to our negotiators. That is part of our responsibility, part of our role. If we do not have a chance here, we are not going to have a chance.

Finally, I have a third amendment on agricultural sanctions that I would hope could be considered.

I very much hope before this is done we will have a chance to offer amend-

ments, amendments that are serious, that are relevant to trade, so our colleagues may pass judgment on them, so we may consider and vote on them.

I yield the floor.

The PRESIDING OFFICER. The Senator from Oklahoma.

#### NO NEW WAVE OF ISOLATIONISM

Mr. NICKLES. Mr. President, I am going to speak in a moment on the trade bill, but first I want to repudiate, or at least take issue with, some of the comments that have been made by the President and those of his National Security Adviser, Sandy Berger, when he made comments about the Senate becoming the new isolationists.

I looked at his speech he made before the Council on Foreign Relations just a couple of days ago. He blasted the Senate, blasted Republicans, or that was the implication. I will quote:

It's tempting to say the isolationist right in Congress has no foreign policy, that it is driven only by partisanship. But that understates it. I believe there is a coherence to its convictions, a vision of America's role in the world. Let me tell you what I think they are in simple terms: First: any treaty others embrace, we won't join. The new isolationists are convinced that treaties—pretty much all treaties—are a threat to our sovereignty and continued superiority.

I could go on, but I am very offended by that statement. I am very offended by the National Security Adviser of this President would make such a statement about Members of this Senate. He is factually incorrect. He is making statements that send bad signals throughout the world that are unfounded, and he should be ashamed, and he should apologize for this speech he made before the Council on Foreign Relations.

He implies this new isolationism is against all treaties, and he is implying maybe Republicans don't like treaties. Let me just take issue with that.

In 1988, we passed the Intermediate Nuclear Forces Treaty. It passed by an overwhelming margin. We passed the START treaty, Strategic Arms Reduction Treaty, START I in 1992, START II in 1996, by overwhelming majorities.

We worked and had a bipartisan arms control group that monitored arms control. I might mention, that started under President Reagan and President Bush. It has been discontinued, to my knowledge, under President Clinton, and maybe that is to his loss. One of the reasons that group was put together was that another arms control treaty, the SALT II treaty, the Strategic Arms Limitation Treaty proposed by President Carter, was defeated.

I am amazed, when people said the Comprehensive Test Ban Treaty was the first treaty defeated in the Senate, they don't count SALT II. SALT II was defeated. We didn't have an up-or-down vote, but President Carter had the treaty withdrawn. He could count votes and he didn't have 67 votes. It was not going to be ratified, so he

withdrew the treaty. And he was correct in doing so. That treaty had fatal flaws.

So subsequent administrations, President Reagan and President Bush, said let's have a bipartisan arms control group in the Senate that will help monitor, discuss, give advice and consent. So we had good dialog on treaties as they evolved, and this Senate was quite successful in ratifying those treaties. I mentioned the fact we ratified INF, START I, START II, Conventional Forces in Europe—we did that in the 1990s—the Chemical Weapons Convention.

I might mention, I did not support the Chemical Weapons Convention, but it still passed by an overwhelming majority. I have my reasons. I don't think it is verifiable. I think somebody can build chemical weapons in a closet and no one will ever know. But my point is, that happened just a year or so ago.

This Senate also passed NATO expansion. We passed it overwhelmingly.

So, again, for the President's National Security Adviser to say we are isolationist I think is absolutely wrong. To say we oppose all treaties is absolutely wrong.

I might go ahead and mention that if the President submits the Kyoto treaty, the Global Climate Change Protocol negotiated in Kyoto, Japan, it will be defeated. This Senate passed a resolution prior to their signing that treaty with 90-some votes saying we will not ratify something that leaves out major players worldwide, players such as China, Mexico and India, who did not sign the Kyoto Protocol, didn't sign the treaty—that we would not sign it. It has several other fatal flaws. The President went ahead and signed it anyway. If the President submits that treaty for ratification, it will go down in defeat.

Is it our fault the President went ahead and submitted the Comprehensive Test Ban Treaty? Didn't he read the Constitution? The Constitution says it takes two-thirds to ratify a treaty. He never had two-thirds. He didn't even have a majority. Was that the Republican Members' fault when we had Members of the Senate, day after day, saying "We want a vote on the treaty"? The President said, "We want a vote on the treaty." We had ranking members, the ranking minority Member of the Senate and several others saying, "We want to vote on the treaty." So we did what we often do around here; we entered into a unanimous consent agreement that could have been objected to by any Senator and scheduled a vote.

Then people wanted to get out of the vote because, oops, we counted and we don't have 67 votes. There were not even 50 votes. All it would have taken was a unanimous consent to defer the vote and that attempt was not made. Senator LOTT tried to offer the President an escape route, but he wouldn't take it. The President didn't even call Senator LOTT until an hour, maybe 2

hours, before the vote. That is the President's fault.

Let's go back to treaties. Is this Senate willing to ratify and consider treaties?

What about the Nuclear Non-Proliferation Treaty? That is a treaty we have ratified, but we also know it has not been enforced. We know Russia has been selling nuclear weapons and materials to Iran, and this administration has done almost nil about it. The fact is the last Congress passed legislation to increase penalties for firms that, through Russia, are selling to Iran. The President did not want to sign it. He eventually signed it.

He has been lax in the enforcement of the Nuclear Non-Proliferation Treaty with respect to Iran. The administration has been looking the other way with China, who has been selling arms, missiles, and equipment to Pakistan. China signed that treaty. Russia signed the treaty. Iraq signed the treaty. And the administration turns its back on Iraq. North Korea signed the Nuclear Non-Proliferation Treaty, and they have not complied with it. They have not come close to complying. As a matter of fact, we have uncovered evidence that they are pretty active in their nuclear program.

The Nuclear Non-Proliferation Treaty says there will be onsite visits. North Korea said: No, there will be no onsite visits; we are turning off the cameras. The administration said: We are going to reward your noncompliance and build you a couple of nuclear powerplants and we will give you millions of dollars of oil every year if you promise not to do this anymore.

What was North Korea's response? Thank you very much; we will take your money, your powerplants and, incidentally, we will lob missiles over South Korea, over Japan, and maybe hit the west coast of the United States, certainly Alaska.

The administration has rewarded noncompliance of the Nuclear Non-Proliferation Treaty by North Korea. They have done the same thing with Iraq. My colleagues might remember we had a war. We had a war in Iraq in 1991—actually, in 1990, we had a significant buildup. In 1991, we had a war.

At the conclusion of that war, we said: Before we are going to allow Iraq to sell oil, we are going to have international arms control inspectors to make sure they are not building nuclear weapons and that they were not in violation of the Nuclear Non-Proliferation Treaty—to make sure they are not building chemical weapons, not building biological weapons; so we are going to have an arms control group monitor Iraq to make sure they are not building weapons of mass destruction. Unless they complied with that, we were not going to let them sell oil. That was in 1991. That was after we won the war with Iraq.

Guess what has happened since then. Since this President has been elected, gradually over time, we have allowed

Iraq to sell more oil year by year. We have zero inspectors in Iraq today. Zero. So they are able to build their nuclear weapons, chemicals weapons, and biological weapons. We do not have anybody on the ground. We may have satellites flying around, but they cannot pick that up. They can be built in small rooms.

This administration's record on proliferation is poor. Their record on enforcing the Nuclear Non-Proliferation Treaty is pathetic. Again, to have this administration lecturing Members of the Senate and saying we are new isolationists is totally unfounded.

They rewarded Iraq for their noncompliance. They did not comply with the regime imposed on them by the United States and, frankly, the entire world—the United Nations. They did not comply with it.

What did we do? We rewarded them and said: You can sell all the oil you want. And the administration ratified that by a unanimous vote in the Security Council 3 weeks ago which said to Iraq: You can sell all the oil you want and, incidentally, you do not have to have any arms control inspectors whatsoever in Iraq; none, zero.

Great. That is a great policy.

Speaking of nonproliferation, the whole idea of nonproliferation is we do not want a lot of nuclear weapons primarily, but we also do not want chemical and biological weapons spreading around the world. We do not want them expanding.

Maybe the administration better give us some answers, including the Vice President of the United States, when we have evidence turned in by the intelligence agencies—actually, it was done by a Chinese agent—that shows us they have copied or they have multitudes of information on our nuclear weapons, including our missile designs, our latest warheads, and a whole variety of things. We found out about that.

When did the President find out about it? His National Security Adviser found out about it in the fall of 1995. Sandy Berger, who is Assistant National Security Adviser, at least was briefed about it by the Department of Energy in April of 1996. According to Mr. Berger's statement, he did not brief the President until July of 1997. Mr. Berger, why didn't you brief the President?

Somehow, I do not believe that. He should resign. If the National Security Adviser finds out that China has access to our latest technology or designs on nuclear weapons in April of 1996 and does not brief the President until July of 1997, he should be replaced. These are weapons that threaten the security of the United States. These are weapons that threaten the security of the world. And he did not find time to brief the President of the United States? I do not believe that.

When did the President find out they had stolen these weapons or they have the designs for these weapons? What is our National Security Adviser there

for? To make partisan speeches in New York calling Republicans new isolationists? He does not find time to brief the President, but he has time to sit in on campaign meetings throughout the year and at the same time we have Chinese arms merchants coming to the White House writing big checks? This thing smells. It is despicable. Yet he has time to make partisan speeches that are totally, completely unfounded.

I have gone over a few treaties, and I have mentioned several the Senate has ratified when Republicans have been in control and when the Democrats have been in control. We had bipartisan ratification for every treaty I mentioned.

I mentioned the Kyoto treaty earlier. It has bipartisan opposition, and if the President submits it, it will not be ratified.

I mentioned the Comprehensive Test Ban Treaty about which the President is so upset. It was not ratified because it is a treaty in perpetuity. It is a treaty that says 100 years from now or 40 years from now, no matter what China does, no matter what Russia does or what Iraq does or any other country, if we find out they have an aggressive nuclear program, we still cannot test because we will abide by the treaty in spite of the fact that other countries may not.

The Senate, by a majority vote, said it is not going to ratify a treaty that has zero test limits. Every President in the past has said if we have a treaty, it should be temporary, a moratorium, and not a permanent ban; it should allow for some small amount of testing. Frankly, we think some countries which have signed it are already cheating, but we cannot detect it because it is not verifiable.

Many think this is not a treaty on which we should bind the United States for the next 40 years. Mr. President, you have to submit a better treaty. You have to consult with Congress. You have to get some advice and consent. You cannot rail and make partisan statements that you want a vote and you get a vote, but then you say: Wait, I didn't know. I thought we were guaranteed to win. That is not in the Constitution. Congress fulfilled its constitutional duty. Maybe the President should read the Constitution. It takes two-thirds of the Senate to ratify a treaty. It is not our fault he did not have the votes. He did not even come close to having the votes.

What about this new military isolationism about which Mr. Berger is talking, implying the Republicans do not want to get involved in a foreign war? Maybe he is alluding to this Senator.

In January of 1991, we voted in the Senate whether to authorize the use of military power in Iraq. And we did. We passed it by a vote of 52 to 47. We had some bipartisan support. Vice President GORE supported that resolution.

Most Democrats opposed it, including the majority leader, including some very respected Senators whom I know

and think the world of: Senator Nunn, Senator Boren, for example. They were saying let's give sanctions a little more of a chance before we initiate the war. I respected that. I didn't agree with it, but I respected it. I did not question them or call them isolationists. I did not question their patriotism. But yet when some of us had some reservations or opposition to the bombing campaign in Kosovo, we are now called isolationists. I disagree with that.

In the Rambouillet accords, the Secretary of State, Madeleine Albright, basically said: Mr. Milosevic, you need to sign this treaty we have put together or we're going to bomb you. I have made several speeches on the floor that have those transcripts. Those were statements that she made: We're going to bomb if you don't sign.

I was opposed to that. I stated at the time I thought it might make matters worse. And, frankly, it did.

If you are concerned about the humanitarian loss, things were a lot worse after the bombing was initiated. After we pulled out the observers, the monitors, things really got bad. Thousands of people lost their lives. Is it unpatriotic to question that action? Does it make you an isolationist because you don't think we have used all the diplomatic tools at our disposal before we start trying to bomb somebody into submission?

This administration has bombed four countries in the last 13 months. They have bombed in Serbia; they have bombed in Sudan; they bombed in Afghanistan; they bombed in Iraq—most all of which have not been effective. In Serbia, particularly Kosovo, for a long time it made matters a much worse.

I don't question people's integrity or their patriotism or whether they are new isolationists. I question that policy. The same thing in Bosnia. I thought we should have given the Bosnians a chance to defend themselves. This administration did not. There was a difference of opinion. I met with Bosnian leaders who came in and said: We don't want your troops to be stationed in Bosnia. We want to have arms so we can defend ourselves. I happen to agree with that policy and also said: If we go this route, we are going to be stuck in Bosnia forever. We are. I visited the camps in Bosnia. We are going to have U.S. soldiers there for a long time. Now we are going to have United States soldiers occupying Kosovo, probably for decades, at a cost of billions of dollars.

So my point is, this administration seems quick to bomb, and if you question their rhetoric or if you question the issue, well, maybe you are a new isolationist. I just disagree with that.

I don't like name calling and there seems to be a lot of it lately. I am personally offended. Somebody made the implication that, well, somebody was a racist because we didn't confirm a judicial nomination. I am very offended by that comment. I am upset about that comment and the implication from the

President and from a couple Members of this body. That does not add to the debate. That is not right. It is inaccurate.

In that particular case, the judge was opposed by the National Sheriffs Organization and opposed by the State chief of police. For that reason, I voted no. It did not have anything to do with his race.

I just think name calling—whether you are calling somebody a new isolationist or whether you are saying somebody has racial motives—is very offensive.

Let me just touch on a couple other issues. Mr. Berger alludes to the fact that we are isolationists. We have a trade bill before the Senate today, the African trade bill. We are trying to pass that. We are trying to include the Caribbean Basin Initiative. We are trying to pass that as well.

There are some Members on the Democrat side who are opposing that. They have a right to do it. My guess is, an overwhelming majority of the Senate will vote to pass this. And I do not question the integrity of one of my colleagues who is opposing it. He has the right to do that. They are entitled to their opinion. They are entitled to offer their amendments. They are entitled to have discussion and debate on the issue.

But if you look at trade over the last 10 or 15 years, this Congress passed NAFTA by a bipartisan vote. We passed GATT. NAFTA, we passed in 1993; GATT, the General Agreement on Tariffs and Trade, in 1994.

This Senate is more than willing to pass fast track. The President did not call for fast track to be reauthorized because he was running for reelection in 1996. Some of the leaders of organized labor did not want it, so he didn't call for it to be done in 1996. He waited until after his reelection and then he sent it to us.

He was the first President, going all the way back to President Ford, I believe, who didn't have fast-track authority. After he was reelected, he said: Hey, Congress, pass this. The Senate wanted to pass it, but the House couldn't. A lot of House Democrats said: You didn't want to take a tough vote before the election, so we do not need to do it now either. He could hardly get any votes from Democrats in the House to pass fast track. So he is the first President in decades who has not had that authority. It is not the Republicans' fault. That is not new isolationism.

Is the President catering to protectionist forces within his own party and within the organized labor agenda? He could not get it through the House; but it was not the House Republicans, it was the House Democrats that presented the problem. And those are just the facts.

Another issue at hand is the World Trade Organization. There is going to be a meeting of the WTO in Seattle. Most Republicans support the idea of

reducing trade barriers throughout the world. There are negotiations with the People's Republic of China in the WTO. They were so close, and the President would not say yes. A Chinese delegate came to the United States and made a lot of trade concessions. Frankly, it was a pretty good deal. My compliments to the President's Trade Representative, Charlene Barshefsky, who negotiated a good deal. And then the President would not say yes.

Why? Because maybe a few people in organized labor did not want him to say yes. Regardless, he did not say yes. So now he has called, I guess, the Chinese Premier and said: Well, we really want to do WTO. He had them here a few months ago, and he said no. Whose fault is that? Who is the new isolationist? Most of us realize we need to develop and encourage growing markets with China.

So I mention a few of those things to just repudiate, in the strongest words I possibly can, Sandy Berger's comments talking about the new isolationist fever that is running through Congress. Maybe there are some people running for President who have that philosophy. They don't represent the Republican Party. As a matter of fact, the primary person espousing that belief left the Republican Party.

In the Senate, I serve on the Finance Committee with Senator ROTH and Senator MOYNIHAN, and others on that committee, who have jurisdiction over trade issues, who have jurisdiction over tax issues. There is not an isolationist trend coming out of that committee or from the Senate.

If the President wants to get treaties ratified, he needs to consult with the Senate. He could have found out from the Senate he had some flaws in the Comprehensive Test Ban Treaty and did not have the votes. He could have found that out before asking for the vote and saved himself some embarrassment. Hopefully, he will come to that realization with the Kyoto Treaty.

We had a resolution in the Senate with, I believe, 94 votes that said Kyoto was fatally flawed, don't bring it to the Senate in this form or it will not be ratified. So maybe he is taking that as a hint he doesn't have the necessary 67 votes.

I hope the President and his National Security Adviser will move away from this rhetoric of "new isolationism" because, frankly, they are fomenting something that is not there. It is very much to the disadvantage of our country, our reputation worldwide, and it does not do them service because it is not true.

Mr. President, I yield the floor.

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER (Mr. AL-LARD). The Senator from South Carolina.

#### THE BUDGET

Mr. HOLLINGS. Mr. President, if there is one difficulty we have in this

trade debate, it is credibility. If you believe the distinguished leaders, the President, the majority, minority leader, the distinguished chairman of our Finance Committee, you are bound to vote for this particular agreement with respect to the Caribbean Basin Initiative and the sub-Sahara. Then if you believe this Senator, who is in a dreadful minority at this point, you couldn't possibly vote for it.

Trying to bolster my credibility, because I have spoken throughout the year with respect to the budget, the deficit and whether or not there is a surplus, I ask unanimous consent to print in the RECORD this morning's column entitled "Hill Negotiators Agree to Delay Part of NIH Research Budget."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Oct. 28, 1999]

#### HILL NEGOTIATORS AGREE TO DELAY PART OF NIH RESEARCH BUDGET

(By Eric Pianin)

House and Senate negotiators yesterday agreed to delay a big chunk of the research budget to the National Institutes of Health, as they struggled to find new ways to hold down costs and stay within tight spending limits.

With concerns rising over their plan to cut programs across the board, Republican leaders are once again turning to creative accounting tactics to make sure their spending bills are lean enough to avoid tapping into Social Security payroll taxes.

The last of the 13 spending bills to be considered by Congress, a giant \$313 billion measure funding labor, health and human service programs, would provide the NIH with \$17.9 billion for fiscal 2000, a 15 percent increase that exceeds the administration request by \$2 billion.

But the bill, which will be considered by the full Congress today, would require the NIH to wait until the final days of the fiscal year in September to use \$7.5 billion of that money. The tactic is aimed at limiting the actual amount of money that the government will spend at NIH in the current fiscal year; the plan would essentially roll over \$2 billion of spending to next year.

The Clinton administration warned that the move would seriously hamper research efforts and impose significant administrative burdens on NIH, and congressional Democrats complained that it was yet another step eroding GOP credibility on budget matters.

But Senate Appropriations Committee Chairman Ted Stevens (R-Alaska) said Congress was justified in its use of accounting "devices" to cope with emergencies and pressing budget priorities that exceeded what Congress had previously set aside to spend this year.

The various devices are crucial to the GOP's campaign to pass all 13 spending bills for the fiscal year that began Oct. 1 without appearing to dip into surplus revenue generated by Social Security taxes. GOP leaders last night put the finishing touches on an unwieldy package that includes both the labor-health-education bill, the District of Columbia spending bill and proposal for a roughly 1 percent across-the-board spending cut.

Democrats maintain the "mindless" across-the-board cuts would "devastate" some agencies, hurt programs for mothers and children, and trigger large layoffs in the

armed services. But House Majority Whip Tom DeLay (R-Tex.) said accusations the cuts would hurt defense were "nothing but hogwash." He said the criticism was coming from "the same officials who have sat by idly as the president has hollowed out the armed forces."

President Clinton has vowed to veto the huge package, as he has three other bills, and there is no way the two sides can reach agreement before a midnight Friday deadline. With neither side willing to provoke a government shutdown, the administration and Congress will agree on a third, short-term continuing resolution to keep all the agencies afloat while they continue negotiations.

While the Republicans and the White House are relatively close in negotiating overall spending levels, there are serious differences over how to spend money to reduce class sizes, hire additional police officers and meet a financial obligation to the United Nations as well as disputes over environmental provisions in the bills.

Meanwhile, figures out yesterday showed that the federal government ran a surplus of \$122.7 billion in fiscal 1999 (which ended Sept. 30), the first time the government has recorded back-to-back surpluses since the Eisenhower administration in 1956-57.

The 1999 surplus was almost double the 1998 surplus of \$69.2 billion, which was the first since 1969. While the 1999 surplus was the largest in the nation's history in strict dollar terms, it was the biggest since 1951 when measured as a percentage of the economy, a gauge that tends to factor out the effects of inflation.

All of the surplus came from the excess payroll taxes being collected to provide for Social Security benefits in the next century. Contrary to an earlier estimate by the Congressional Budget Office, the non-Social Security side of the federal government ran a deficit of \$1 billion, money that was made up from the Social Security surplus.

The drafting of the labor-health-education spending measure dominated the action behind the scenes on Capitol Hill yesterday. The House has been unable to pass its own version, so House and Senate negotiators worked out a final compromise in conference.

The \$313 billion compromise exceeds last year's spending by \$11.3 billion and includes more money for education, Pell Grants for college students, NIH, federal impact aid for local communities, the Ryan White AIDS research program and community services block grants than the administration had requested.

While the bill provides \$1.2 billion for class size reduction, the Republicans insist local school districts be given the option for using the money for other purposes while the White House would mandate the money for hiring additional teachers.

Republicans also were claiming \$877 million in savings by using a computer database of newly hired workers to track down people who defaulted on student loans. The nonpartisan CBO said the idea would only save \$130 million, but Republicans are using a more generous estimate used by Clinton's White House budget office.

Mr. HOLLINGS. Right in the middle is the headline: The Government has recorded its first back-to-back surpluses since 1956-57. Within the text, reaffirming that:

Meanwhile, figures out yesterday showed that the federal government ran a surplus of \$122.7 billion in fiscal 1999 (which ended Sept. 30), the first time the government has recorded back-to-back surpluses since the Eisenhower administration in 1956-57.