balanced budget amendment which would establish the kind of capital budget which States and cities now have. This enables them to balance their budgets, while also providing enough dollars to preserve the safety net, keep programs to further economic growth and maintain infrastructure. This kind of borrowing is both responsible and manageable; it could better ensure a decent standard of living for all Americans, regardless of income.

We need to achieve fiscal responsibility. But more importantly, we cannot destroy the security of millions of vulnerable and disadvantaged Americans that rely upon the safety net to keep their families alive.

SETTING THE RECORD STRAIGHT ON THE PROTECTION OF AMERICA'S SENIOR CITIZENS

HON. ANDREA H. SEASTRAND

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 27, 1995

Mrs. SEASTRAND. Mr. Speaker, I suppose I should be honored that the Democrats' chief attack dog, Mr. BONIOR, chose to use me as an example in promulgating one of his party's favorite factual errors—the Republican position on Social Security.

Just in case Mr. BONIOR and the Democrat campaign committees have misunderstood, let me be clear. As long as I am a Member of the U.S. House of Representatives, I will fight any effort to touch Social Security.

Unfortunately, the Democrats are continuing with vigor their failed campaign message that Republicans were out to hurt senior citizens and destroy Social Security.

If the American people did not fall for these absurd scare tactics during the recent midterm elections, what makes the Democrats think they will fall for it now? You would think that the new minority party in Congress would have gotten the message.

The facts are quite clear. The Republican Contract With America specifically states that Social Security is off the table. Republican leaders and Republican Members have stated repeatedly that the budget can be balanced by the year 2002—without touching Social Security—simply by restraining the growth in Federal spending to 3 percent annually as opposed to the scheduled 5.4 percent increase.

The basic and unspoken problem that Mr. BONIOR and his liberal colleagues have with the Republican contract is its commitment to rein in out-of-control Federal spending. What this clearly illustrates to even the most casual observers is the Democrats' total unwillingness to reduce Government spending.

Mr. Speaker, in 1993 the Clinton Democrats passed the largest tax increase in history, and one of the things they conveniently forget about this tax increase is how much it hurt America's seniors. The 1993 tax bill cut Medicare by $85 billion and slapped $25 billion in higher taxes on Social Security beneficiaries. Had the Clinton-Gephardt health care bill passed the Congress, it would have slashed Medicare by more than $400 billion over 10 years and limited the program to zero growth.

By contrast the Republican contract's Senior Citizens Equity Act, which I have cosponsored, helps senior citizens. This bill, H.R. 8, includes provisions to raise the Social Security earnings limit to $30,000 over 5 years; repeal the Clinton tax increases on Social Security retirees; and provide tax incentives for the purchase of private long-term care insurance.

Mr. Speaker, the reality is that the Republican proposals outlined in the Contract With America are designed to help older Americans and undo the damage created by the Clinton Democrats. I am afraid that the Democrats' best efforts to scare older Americans into thinking otherwise will fail just as miserably as it did during the 1994 elections.

INTERNATIONAL CUSTOMS DAY, JANUARY 26, 1953

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, January 27, 1995

Mr. GILMAN. Mr. Speaker, 42 years ago on January 26, 1953, the World Customs Organization formally known as the Customs Cooperation Council, held its first meeting in Brussels, Belgium. In recognition of this occasion, the council observes January 26 as International Customs Day. Additionally, this occasion is also being used to give recognition to customs services around the world in view of the significant role they play in producing national revenue and in protecting national borders from economically and physically harmful importations.

Mr. Speaker, I am particularly proud of our U.S. Customs Service for its invaluable contributions to the Nation over the past 206 years of its existence. U.S. Customs was once the sole revenue producer for the young United States and its role in revenue collection continues: in fiscal year 1994 Customs collected a record $22.9 billion in revenue. In Addition, Customs has taken on other important responsibilities such as interdicting narcotics at our borders, preventing the exportation of critical technology, and enforcing the regulations of more than 40 Government agencies.

The U.S. Customs Service represents the United States at the Customs Cooperation Council [CCC], a 136–member international organization founded to facilitate international trade and promote cooperation between governments on customs matters. The CCC works to simplify and standardize legal instruments and rules of international customs. The CCC also renders technical assistance in areas such as customs tariffs, valuation, nomenclature, and law enforcement. Its objective is to obtain, in the interest of international trade, the best possible degree of uniformity among the customs systems of member nations. The United States became a member on November 5, 1970. All America benefits when both exporters and importers operate in an atmosphere of simple unambiguous customs operations around the world.

Accordingly, Mr. Speaker, I want to take this opportunity to congratulate the Customs Cooperation Council with regard to its past accomplishments and for its ambitious goals of further harmonizing and simplifying those customs rules which affect international commerce. In addition, I congratulate our U.S. Customs Service for its outstanding work both nationally and internationally.

PROPOSING A BALANCED BUDGET AMENDMENT TO THE CONSTITUTION

SPEECH OF

HON. MIKE WARD

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 25, 1995

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.J. Res. 1) proposing a balanced budget amendment to the Constitution of the United States.

Mr. WARD. Mr. Chairman, one of the most important votes of my career will be cast during my third week as Kentucky's Third District Representative. That vote, Mr. Speaker, will be my vote on the proposed balanced budget constitutional amendment.

It would be easy to follow the advice of the pollsters and political consultants—the easy, politically smart vote is probably to vote for this amendment.

But, the people of the Third District expect me to study the issues carefully and to vote for the long-term best interest of our community and our Nation. Sometimes, this will require me to cast a politically difficult vote.

The balanced budget amendment appears to be such a vote.

Anyone who reads Wall Street Journal editorials knows that you will rarely find a more conservative viewpoint, nor one more devoted to reducing the size of government and reducing taxes. But, on November 18, 1994—a few days after the Republican's election landslide—the Wall Street Journal carried an important editorial headlined ''Balance By Amendment?''

Here is what the Wall Street Journal editorial had to say about the proposed balanced budget amendment:

> While we yield to none in wanting a smaller government and have been big backers of the line-item veto and the like, we've always had our doubts about the budget amendment idea. While politically appealing, it makes no particular sense economically. We fret that it will prove the Republican equivalent of the Democratic health care proposal—playing well in polls and focus groups but falling apart when you try to write a law.
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> To understand the economics, start here: If all American households were required to balance their budgets every year, no one could ever buy a house * * *
>
> * * * Ultimately, the pertinent question about government borrowing is the same as it is for households or corporations. How large is the debt compared to available resources, and for what purpose are the proceeds spent?
>
> While no single statistic can capture the reality, one of the best measures is the trend of outstanding debt as a proportion of yearly output * * * Debt was more than 100 percent of GDP (gross domestic product) at the end of World War II, declined to around a quarter in 1974, and then grew to more than half today. We would certainly argue that winning the World War was worth borrowing 100% of GDP, and winning the Cold War was worth borrowing 50 percent * * *
>
> * * * crude goals (such as outright budget balance) tend to impose large short-run costs, in political pain and economic dislocation. * * * Perhaps in their current euphoria Republicans feel confident about this question (that a balanced budget amendment will be sustainable), but our advice is that they should look before they leap.