

subsidy, rather than the net disbursement of cash. However, Treasury still must borrow the full amount of the loan. It is expected that cash disbursements will exceed \$70 billion during fiscal year 1995–99. Under House Joint Resolution 1, the debt limit would have to be increased by a three-fifths majority of each House in order to accommodate these disbursements, even if the budgets were balanced in those years and the loans eventually were paid back in full.

In addition, the Federal Government's cash requirements vary from year to year, making it difficult to estimate its revenue needs. For example, a large number of unexpected thrift and bank failures in 1 year could cause the budget to be unbalanced.

Finally, some have argued that given the constraints of a balanced budget amendment and the three-fifths requirement, Congress will look for ways to borrow money off budget, which is usually more costly than on-budget financing. A good example of a more costly off-budget financing scheme was the reliance on REFCORP bonds to finance part of the S&L bailout.

While the above budgetary concerns at first blush would appear problemsome, they should not pose insurmountable obstacles to successful implementation of a balanced budget amendment. Many of these cash management problems can be addressed with more prudential planning. Furthermore, section 8 of House Joint Resolution 1 allows Congress to enact laws to implement this constitutional amendment. Through legislative adjustments Congress retains the flexibility to square the various nuances and vagaries of Federal Government debt management with the constitutional requirement of a balanced budget.

PROPOSING A BALANCED BUDGET AMENDMENT TO THE CONSTITUTION

SPEECH OF

HON. MICHAEL F. DOYLE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 26, 1995

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

Mr. DOYLE. Mr. Chairman, I urge my colleagues on both sides of the aisle to support House Resolution 28, the bipartisan, bicameral balanced budget amendment. We have spent considerable time in this House debating and discussing the merits of competing balanced budget amendment proposals. The message that has resonated through this debate is this country's desperate need to balance its budget.

Currently, our national debt exceeds \$4.3 trillion. Since this House last voted on a balanced budget amendment in March 1994, our debt has increased by more than \$160 billion dollars. The gross interest payments on this debt alone are costing us \$816 million per day. In fact, these interest payments have increased so significantly that 14 percent of the entire Federal budget is devoted to interest payments on the debt. Therein lies the insidious nature of this deficit debacle.

As the interest payments continue to skyrocket. Devouring larger and larger portions of the budget, there is a devastating regressive effect on the rest of the budget. These interest payments are severely hampering our ability to fund important discretionary programs. While future generations will suffer increasingly from this effect, the problem is also very real in the present. Our interest payments this year alone will be 8 times higher than expenditures on education and 50 times higher than expenditures on job training.

My constituents in western Pennsylvania will need continued assistance from job retraining and economic development programs. This is why I stand today in support of this balanced budget amendment. The Mon-Valley needs the help of innovative and intelligent Federal programs to assist in the retraining of displaced workers so they are prepared to join new, high-technology industries. Programs are needed to cleanup the abandoned industrial sites so fresh businesses will locate there bringing with them secure jobs in these growing industries. These are just the types of programs that are being crowded out by the increasing interest payments on our debt.

It is imperative that a balanced budget amendment passes both Houses of this Congress so that it can move to the States for the ratification process. Only then will people throughout the country be afforded the opportunity to closely examine how the amendment would work and what specific actions would be necessary to achieve a balanced budget early in the 21st century. However, the only way our citizens will have that opportunity is if we move now to pass the Stenholm/Schaefer alternative.

It is the only alternative that is purely bipartisan in nature and has a chance of also passing in the Senate. This is a practical reality that cannot be overlooked.

Language in this amendment would require a three-fifths vote in both Houses to allow an increase in our national debt level which gives this alternative the strong safeguard necessary for it to be effective, and I sincerely hope my colleagues will recognize the power of this rigorous balance. The Stenholm/Schaefer amendment unites the underlying principles of all versions of the balanced budget amendment. We cannot let another opportunity to pass this amendment slip away. I urge my colleagues on both sides of the aisle to support the Stenholm/Schaefer alternative now, and when we take a vote on final passage.

HELSINKI COMMISSION HEARING ON DEVELOPMENTS IN BOSNIA AND HERZEGOVINA

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 1, 1995

Mr. SMITH of New Jersey. Mr. Speaker, yesterday the Helsinki Commission, which I chair, convened its third hearing to hear from Dr. Haris Silajdzic, the Prime Minister of Bosnia and Herzegovina. In 1992 and 1993, Dr. Silajdzic testified in his previous position as Foreign Minister, describing the horrors taking place in his country and, knowing they could have been prevented, urgently asking for help. The hearing reviewed the tragic situation that still exists in Bosnia and Herzegovina,

as well as the continued relevance of policy options that should have been taken by the international community long ago. Having to do that was frustrating to me, and I cannot begin to imagine how it must frustrate the Prime Minister.

We must not, though, accept the unacceptable. That is exactly what the Serb militants want us to do. It is clear that the people of Bosnia, despite their endurance of a third winter of war, are not prepared to abandon the defense of their homes, their families, their country. Indeed, Bosnia and Herzegovina seems motivated to defend international principles, even if they must do so almost completely alone.

In contrast, much to my dismay, the international community has been beaten back by the Serb militants in what has become a game of bluff. The Serb militants clearly escalate the violence, because they know we are unwilling to escalate in response. Our threats against them lack any credibility. Officials directing United Nations and NATO efforts have failed not only to stop vicious Serb aggression, but also to enforce their own Security Council resolutions. Instead, they have resorted to mutual recriminations, twisted explanations, and even blaming the victims for their fate.

Last summer, the so-called Contact Group—comprising the United States, Russia, the United Kingdom, France, and Germany—offered the Bosnian Government and the Serb militants a plan on a take-it-or-leave-it basis, with a deadline for an unconditional answer and warnings of repercussions for any side rejecting it. Sarajevo accepted it, in time and without condition. The militants effectively rejected it. As sanctions were then eased on Serbia in response, the deadline for Bosnian Serb acceptance was extended indefinitely. Earlier this month, U.S. officials presented this plan as simply a starting point for negotiations, and met with the Bosnian Serb leaders in their stronghold, Pale. To my dismay, the Secretary of State concluded that the "Bosnian crisis is about Bosnia, but the NATO alliance is far more enduring, far more important than the Bosnian crisis." I was amazed and appalled.

Let's keep in mind, Mr. Speaker, that the Secretary's comment refers to what is, in fact, a well-documented genocide, and these diplomatic gestures were made toward those who orchestrated it. Through all the complexities of the Balkans that we must consider, one generic fact remains—you reward the aggressor, and you get more aggression. It is as simple as that.

The Helsinki Commission, through the leadership of the previous cochairs of the Helsinki Commission, noted that calls for a negotiated settlement, however correct, are meaningless if accompanied by an artificial neutrality and not by severe repercussions for those who operate outside acceptable parameters and seek what they want through the use of force. Collective partnerships, however desirable, will erode if partners allow one of their own to be carved into ethnic pieces.

Enunciating international principles, however promising, is empty if countries abandon them for historical affinities and big-power politics. Commemorations of the end of World War II a half century ago, however appropriate, ring somewhat hollow when genocidal acts that stir memories of the Holocaust are allowed to occur. The world's commitment to human