

and the opportunity for future generations of Americans to enjoy the prosperity that this generation has enjoyed hangs in the balance as to whether or not politicians here can make tough choices about how to get our budget deficit under control.

One way that we will never get our budget deficit under control is to give tax cuts just when we are beginning to make progress on the deficit. I am fortunate to have been in the U.S. Congress fighting for deficit reduction, and we have seen, for the first time in 3 years—3 years in a row, first time since Harry Truman was President—where the deficit has actually been cut, we have begun to make progress.

I voted for a balanced budget amendment, a Democrat voting for a balanced budget amendment. That was the easy part. Anyone can vote for a balanced budget amendment. The difficulty is actually balancing the budget, and there is no way that you can balance the budget by the year 2002 if these ridiculous tax cuts are approved by the Congress.

Now the revenue losses to the year 2000 are significant, but the 10-year losses approach \$700 billion. It is impossible to balance the budget while providing tax cuts to the tune of \$700 billion at the same time, and the irony is everyone in America gets it. People across America do not really think that you can balance the budget by drastically cutting taxes. But what makes this tax cut so tragic is that it cuts the taxes for the wealthiest Americans while enduring a deficit reduction.

Let us balance the budget to a plan to make tough choices over the next several years, and all you have to do is look at projected Federal spending to realize that nonsense about cutting discretionary spending, that we can even balance the budget by cutting children further or by cutting education programs. There is not enough discretionary spending in the budget to do it.

We need to get real about how we are going to cut this deficit. If the choices were easy, politicians in past years would have done it already. This is about difficult choices, and a bidding war over tax cuts for the middle and upper classes has to be avoided if we are going to confront these issues.

The pandering over tax cuts is threatening any chance for deficit reduction. We need to make investments in certain areas, and cutting school lunch programs, and cutting child care, cutting worker retraining, is not the way to prepare future generations to compete.

The Carnegie Corp. did a study last year that showed we are not investing nearly enough in children. You do not balance a budget by cutting children and giving tax breaks to those who are the wealthiest in society.

The Republicans claim that their tax cut will be fully paid over the next 5 years. Let me tell you they have only

come up with enough cuts, \$189 billion, to pay for the first 5 years, and \$100 billion of those are not even specific.

I would hope that we would get real in this discussion. Let us cut taxes and have a debate about cutting taxes after we balance the budget.

Mr. Speaker, the American people get it. I do not know why the Republicans in this House do not get it.

GENERAL LEAVE

Mr. BAKER of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks, and include extraneous material, on the special order of the gentleman from Illinois [Mr. HASTERT].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

THE FIRST STEP ON THE ROAD TO A BALANCED BUDGET

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. BAKER] is recognized for 5 minutes.

Mr. BAKER of California. Mr. Speaker, I was very much interested in the previous speaker's remarks until at the end he became shrill and partisan as usual, and I have to say that we believe that you have to balance your approach toward balancing the budget just like you have to take incremental steps, and that is why the Contract with America did not say we are going to balance the budget first time you make us a majority because we knew that is impossible. We talked about the year 2002 and how we were going to work and take that first step on the road of a thousand miles to balance the budget. The problem is not that we can cut, because the gentleman had it absolutely right. He said we cannot have just tax cuts for the rich, we cannot have just that, and we do not want to denigrate this debate over who is going to have the biggest tax cut for the American people, and then in the next breath he said, "But we can't cut discretionary spending either because there is not enough money in discretionary spending to balance the budget."

So how was he going to balance the budget?

Mr. Speaker, the answer is, "You're going to do both. You're going to slow down the growth rate of government spending from its 6 to 10 percent rate and get it down closer to the 6 percent growth in income that this Nation has each year, even during the recession."

"Do you think, if you went to the American people," I ask you, "and said, 'Do you think your Federal taxes are just about right? Are they too high or are they too low?'" ; what would the American people say to you, Representatives?

The answer is they would say they are too high.

In 1950 this Federal Government took 5 percent of Americans' income. In 1970 this government took 16 percent of Americans' income. In 1990 we are taking 24 percent of the average American's income. So we are paying today, at the 1970 level, an average family, if we could pay at the 1970 level, the average family would have \$4,000 more to spend.

At the same time we are running up a huge debt because we have not even slowed down in our spending, and the debt, which is today over \$4 trillion, will leap to about \$6 trillion by the year 2000, and by 2010, which is historically when the baby boomers all run from one side of the boat to the other, from the paying side on the Social Security, from the taxpaying side, to the retirement side and the drawing of Social Security. We will have a national debt each year of \$6.7 trillion. Debt is going to consume America.

How do we get out of this debt? The answer is we are going to reduce taxes, and we are going to reduce taxes on the producers, even business, and the reason is that is where you create jobs, that is where you put people to work and create taxpayers to bring more revenue to this Federal Government. If we could increase this Federal Government's revenue by 1 percent a year, we would balance the budget about 4 years sooner than the 2002 than we are going to be able to balance it through cuts and through the small tax decreases we are going to have in capital gains.

The budget deficit is projected by the Clinton administration to continue growing into the future without a solution. Interest on the debt today is some several hundred billion dollars. But between 1995 and 2006 we are going to pay \$3.9 trillion in interest. That is money we could have spent on our children. That is money we could have spent on problems that we have today—80 percent of the Americans want a balanced budget, and this gentleman says, "You can't cut your way out."

My answer is, "You've got to grow your way out." Americans will pay a lot just in interest on the debt that builds up their entire lives. In 1974, Americans paid a hundred fifteen thousand in their lifetime in interest on the national debt. This year, 1995, a child born today, will pay \$187,000 in interest on the national debt.

I yield to the gentleman from New York [Mr. OWENS].

□ 1930

Mr. OWENS. Is the gentleman aware of the fact that during the last 12 years, beginning with Ronald Reagan that debt accelerated greatly? Jimmy Carter, when he left office, left a national debt of less than \$100 billion.

It rose to almost \$400 billion under President Reagan, who counseled that lower taxes would mean increased revenue. It never happened, and the deficit exploded.