

strides in addressing the Nation's budget deficit. When our founders sacrificed so much that America might be independent and free, we accepted a trust to preserve this Nation for future generations.

This conference report is a historic first step, and we must continue to stand tall through the entire reform process.

I will close with a list of 10 points, often attributed to Abraham Lincoln that I believe we should be mindful of as we consider reform of nearly every government program in the coming months:

First, you cannot bring about prosperity by discouraging thrift.

Second, you cannot strengthen the weak by weakening the strong.

Third, you cannot help small men up by tearing big men down.

Fourth, you cannot help the poor by destroying the rich.

Fifth, you cannot lift the wage-earner up by pulling the wage-payer down.

Sixth, you cannot keep out of trouble by spending more than your income.

Seventh, you cannot further the brotherhood of man by inciting class hatred.

Eighth, you cannot establish sound social security on borrowed money.

Ninth, you cannot build character and courage by taking away a man's initiative and independence, and

Tenth, you cannot help men permanently by doing for them what they could and should do for themselves.

Mr. President, I thank the Chair and yield the floor.

The PRESIDING OFFICER. The time controlled by the Senator from Wyoming has expired.

Mr. DORGAN addressed the Chair.

Mr. MURKOWSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

ORDER OF PROCEDURE

Mr. DORGAN. Mr. President, my understanding was that morning business allocated one-half hour to the Republican side, controlled by Senator THOMAS this morning, and then one-half hour to our side controlled by myself. Is that correct?

The PRESIDING OFFICER. The order provided to the Chair was that the Senator from Wyoming [Mr. THOMAS] was to be recognized to speak for up to 30 minutes, the Senator from Alaska [Mr. MURKOWSKI] recognized to speak for up to 15 minutes, the Senator from North Dakota [Mr. DORGAN] recognized to speak for up to 30 minutes, and the Senator from California [Mrs. FEINSTEIN] recognized to speak for up to 15 minutes.

Mr. DORGAN. Was it to have been in that order? My understanding was that—

The PRESIDING OFFICER. There is no specific sequence. That is the way in which it was provided.

Mr. MURKOWSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. MURKOWSKI. I do not want to complicate this by any means. I think that there is some legitimate confusion relative to the process here. I asked for morning business. I was told that my time, the 15 minutes, began at 9:30. It is just a little after 9:30. I do not want to belabor it. My only effort in coming over was that I have to chair a hearing at 10 o'clock. So I attempted to try to come over in order to make that. With the indulgence of my colleagues, with no objection, I prefer to make a brief statement and then go and open my hearing.

Mr. DORGAN. Mr. President, if I might just respond, I arrived at 9 o'clock and our caucus at the moment, our Democratic caucus, is meeting on regulatory reform. All of us have problems.

My understanding was that we were going to have one-half hour over there and one-half hour over here. If that was not locked in, I guess I would be willing to be flexible on that. But I say that I arrived here at 9 o'clock. I know the Senator from New Mexico is missing the same caucus that I am missing, and I very much did want to respond to some of the points in the budget.

The Senator from Alaska intends to take how long for his presentation?

Mr. MURKOWSKI. I will not take a full 15 minutes, in response in the Senator from North Dakota. I encourage the floor managers, or however the process works, if this could be alleviated perhaps. I am not being critical, but I appreciate the concern of my friend. We are both in the same situation. Maybe the best thing to do is for me to start and get out of here, and then I can yield to my friend from North Dakota the remaining time that I have.

Mr. DORGAN. Mr. President, I will not object to that. I hope that we will be able to sequence it in the future, if that side has 30 minutes, perhaps, if we have 30 minutes reserved, we would be recognized for the next 30 minutes. If the Senator from New Mexico has no objection, I would be happy to allow the Senator from Alaska to proceed at this point and assume the time following that.

The PRESIDING OFFICER. The Chair thanks the Senator from North Dakota. The Senator from Alaska.

Mr. MURKOWSKI. I thank my friend from North Dakota. I wish him a good day.

RISK ASSESSMENT

Mr. MURKOWSKI. Mr. President, I am going to use my time to speak on risk assessment. I had intended to do that at 10:30. However, the hearing which I have to chair, as chairman of the Energy and Natural Resources Committee, is a joint hearing with the Environment and Public Works Committee on a very important and timely topic, and that is the Komi oilspill

which has taken place in Russia at this time as I speak. The significance of this spill is unprecedented in relationship to any spills that we have ever experienced previously. Approximately 400,000 barrels of oil per day are leaking from various pipelines in Russia. That equals twice the *Exxon Valdez* spill, which, of course, was one incident. This volume of 400,000 barrels a day is occurring each and every day. The joint committee that will be meeting today will be attempting to focus on this and generate notoriety and, hopefully, a plan to assist in cleanup and to ensure that this terrible, terrible tragedy does not continue.

My statement this morning, Mr. President, is to call attention to the reality that listening to some people in Congress, listening to some people in the executive branch, you might not think it, but I think those of us who have been listening understand that this town was given a very simple message last November. And that message is that it is time for the Federal Government to wake up and reform the way it does business.

It just so happens we now have bipartisan legislation to help point us in that direction. That legislation is the Comprehensive Regulatory Reform Act of 1995. Its purpose is to protect public health and safety and to protect the environment while sparing people, you and I and those out there, from the nasty side effects of overregulation. It is a statement in favor of freedom, common sense, and responsible government, and one more, and that is accountability.

From the air we breathe to the food we eat and the ground we walk on, Federal regulations govern almost every phase of our lives. Their stated purpose, of course, is to help make people healthier and safer by reducing exposure to a variety of risky substances and products and by regulating various activities.

In many cases, Mr. President, these goals are accomplished. However, in others, regulations focus on unsubstantiated or minute risks to health, safety or the environment, and end up wasting a lot of taxpayers' money and time that could be spent on more pressing problems. Worst of all, unnecessary regulations, duplication, take away our freedoms. Our freedoms are lost bit by bit by empowering bureaucrats in Washington to tell us what we can and cannot do and almost on a worst-case basis.

Last year, Mr. President, Americans spent an estimated \$647 billion on regulations. That is more than every element of the average person's budget except housing. Yes, that is even more—\$104 billion more, as a matter of fact—than America spent in paying its tax bill in 1994. But, unlike taxes and the other bills we pay, much of the costs of regulations are hidden in the price of goods and services, so most people do not know about their true costs to each of us.

Let me make it perfectly clear, Mr. President. We do need regulations that actually do protect health, safety and welfare. No one wants to turn back the clock on the progress that we have made in protecting our health and safety. But there is a movement in grass-roots America to shrink the size, expense, and scope of the Federal Government and to reform the way the Federal Government regulates.

We need to respond by making sure that the benefits derived from particular regulations are worth the cost and that we use sound science, not emotion, to address and assess risk to health safety and the environment.

We also need to rebuild public confidence in Government's risk assessments so people will listen when real threats to health and safety are detected. I want to thank the majority leader, Senator DOLE; the ranking member of the committee that I chair, Senator BENNETT JOHNSTON; and the Energy and National Resources Committee for their efforts on this front. I also want to thank my fellow chairmen, Chairman HATCH and Chairman ROTH, who worked with us on the creation of this consensus legislation. My committee and theirs each reported a bill addressing regulatory reform.

Now, to those who ask, Do we need reform? Well, there is absolutely no question. Recognizing that there are many horror stories, let me just share one that occurred in my State of Alaska: Anchorage, AK, is our largest city. The water comes down from the mountains, flows into the gutters for the most part, has very little contamination in it, just what it might pick up on the streets. And the Environmental Protection Agency came down with the ruling mandating that before the water moves in the drains and could be dumped into Cook Inlet where we have 30-foot tides a day, that we must remove 30 percent of the organic matter in the water.

Well, Mr. President, there was no organic matter there. There was absolutely nothing to remove. As a consequence, the city of Anchorage was in violation of their permit from the Environmental Protection Agency and subject to substantial fines. Finally, an enterprising entrepreneur suggested that they put some of the fish waste in the water. So 5,000 pounds of fish waste was put into the water system so it could be removed so that they could comply.

Now, once it became known and the heat began to focus on EPA, they were rather embarrassed and they actually wrote out a press release and said, well, we did not make them do it; they did it themselves. You can imagine the type of an example that sets and the reflection that the people of Anchorage have on the Environmental Protection Agency for coming down in a ruling like that.

We had another situation in Fairbanks. We have cold winters. We pick up a little snow. The city properly

would bar parked buses from the road, and buses get snow on them. They were moved onto the back lot. They were cited for dumping the snow on the adjacent lot. We have a hard time understanding that, Mr. President. We have a number of other points I am not going to read. I just want to bring your attention to a few.

Now, finally, I think as we look at the principles contained in the risk assessment bill passed by my committee, we recognize that while the risk assessment process is used by many Federal regulatory agencies, their application and standards are wildly divergent, and there is no set standard for all uses. In fact, the EPA, OSHA, and FDA often differ in their assessment of chemical carcinogens and other matters that are of great interest and concern.

Finally, Mr. President, let me just focus on one more item with regard to our legislation because it provides several important improvements to the risk assessment process requiring Federal regulators to use the following:

Sound science and analysis as the basis for conclusions about risk; the appropriate level of detail for the analysis; the mandate to be reasonable in reviewing the data; using assumptions only when actual data is not available; characterize risk in a clear and understandable manner; do not express risk as a single, high-end estimate that uses the worst-case scenario; compare the risk to others people encounter every day to place it in perspective; describe the new or substitute risks that will be created if the risk in question is regulated; use independent and external peer review to evaluate risk assessment results; and provide appropriate opportunities for public participation.

Let me close by reading a passage that I think sums up the efforts of all who support this risk assessment regulatory reform. I quote:

The American people deserve a regulatory system that works for them, not against them: a regulatory system that protects and improves their health, safety, environment, and well-being and improves the performance of the economy without imposing unacceptable or unreasonable costs on society; regulatory policies that recognize that the private sector and private markets are the best engine for economic growth; regulatory approaches that respect the role of State, local, and tribal governments; and regulations that are effective, consistent, sensible, and understandable. We do not have such a regulatory system today.

Now these are the words of President Clinton in his Executive order on regulatory planning and review.

So I say to the Senate, the time has come to stem the sea tide of regulation that threatens to engulf us all. We need commonsense health and safety regulations based, again, on sound science and not emotion. We do not need and we must take steps to reform the current Federal regulatory tyranny.

I yield the remainder of my time to the Senator from North Dakota and wish him a good day.

Mr. DORGAN. Mr. President, of the 30 minutes allotted to me in morning

business, I yield 10 minutes to the Senator from New Mexico, Senator BINGAMAN.

Mr. BINGAMAN addressed the Chair. The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. I thank the Senator from North Dakota for yielding me time. I do believe that it is heartening that we have a consensus for deficit reduction here in the country. I believe the President led the way in that effort during the first 2 years of his term, and I commend my Republican colleagues for the commitment they have shown to bringing us back to that important goal this year in this Congress.

But, Mr. President, I want to express some concerns that arise when I look at the budget resolution that has been brought to the floor by the Republican majority, concerns that we may be losing sight of our real objective in this budget-cutting exercise.

It seems to me the sole purpose of deficit reduction is to increase our investment in the future. What we are attempting to do is to get the Government to live within its means so as not to leave the bill for this generation's largesse to our children.

Mr. President, indiscriminately slashing budgets is no recipe for growth and is a bad way to organize investments for the future. To leverage our investment, I believe that we need to support programs, particularly education programs, technology programs, and export promotion programs that contribute to our economy's growth and that help create high-wage jobs that enhance the standard of living for all Americans.

I will speak separately on the importance of maintaining our investment in education, but let me first discuss the issues of technology and export promotion.

In this analysis of what works and what does not work, what Government should focus on and what it should not, we need to worry about tomorrow's bottom line just as much as we worry about today's bottom line. Growth policies that help keep our economy strong are vital in looking at that bottom line for tomorrow.

America has much to be proud of in its technology infrastructure, but it would be wrong to believe that Government did not help lead in building that infrastructure, but it would be wrong to believe that Government was not an essential partner with the private sector in helping to innovate and to nurture technologies that the corporate world has further developed.

The conference report on the budget resolution promises to seriously damage our Nation's future vitality. I have a number of problems with the plan, none greater than handing the bill for this balanced budget to those least able to pay and leaving the wealthiest in society in better shape. But I also know that if our Government fails to remain steadfast in its commitment to a national technology infrastructure and to

the funding of civilian research and development and to programs that support and help finance export efforts, then our economy will continue to erode; and we will forgo the gains and growth from high-technology developments and will become a nation built on a lower paying service economy.

Mr. President, in this Chamber, we have heard a great deal about leaving things to the market; that the private sector and the invisible hand will solve our problems most effectively if we essentially shut down many areas of Government. I believe, as do all of us, in a lean and a streamlined Government, but I do not believe that the market alone can solve all the problems of our citizens. And I do not believe that we should ignore the fact that our Government has a good track record and has gotten a great deal right in technology support and in export assistance. There is no doubt that we would be eating our own seed corn if we were to go forward and dismantle these programs.

I recommend to those who frequently call on the ghost of Adam Smith and subscribe to a prescription of the invisible hand that Smith referred to in the "Wealth of Nations," that they go back and reread some of that treatise that he wrote.

Smith clearly outlined a role for Government, a perspective with which I agree.

He states that first, the state has a "night-watchman function" to see to the safety and security of its citizens. He argues that the state must educate its labor force, something that we have not done well in this Nation. He continues that the state must build infrastructure on which commerce depends; that is the Government must build roads, canals, and bridges. In the modern context, that means airports and a national information infrastructure and basic research laboratories and export assistance offices.

The Government must pay for itself and must, therefore, tax and charge for its services and the Government must support development of those technologies that are not at first easily commercializable. In his day, an example was shipbuilding, and in our day an example is nuclear energy. Adam Smith himself outlines these as indispensable functions of Government, of minimal Government, as he saw it and leaves the rest to be fixed by the market.

Those of us who are tasked with the responsibilities of writing budgets and voting on budgets, as we will today, cannot neglect the indispensable roles that Government does have to play. But I believe that the theologies that are driving the Republican budget we are dealing with here have neglected many of these roles. And we must revisit this effort knowing that while we must cut our budget deficit, we must also promote high-end economic growth which creates high wage jobs and a better standard of living for our citizens. And enmeshed as we are in a

global economy, we have to export more and erase the chronic deficits that represent real job leakage from our economy.

As I have previously stated in this Chamber, our Government's program in civilian research and development under this budget will be cut by 30 to 40 percent by the year 2002 and will be pushed to a 40-year low as a percentage of the gross domestic product. In contrast, the research communities in Germany and Japan continue to receive increased resources as the growth they have generated for their nations has been recognized and rewarded.

Yet in the United States, we are abandoning those who won the cold war, those who put men on the Moon, who initiated genetic research and biotechnology efforts, who created computers and advanced electronics, who have fought disease and revolutionized a myriad of enhancements in agriculture. Our national investments in science and technology, that have yielded semiconductors, molecular biology advances, and materials science development, have paid off tremendously for the Nation.

In 1969, when the Federal budget was last in balance, Federal civilian research spending was 0.76 percent of gross domestic product. Only the Bush administration stands out among the administrations of the last several decades in trying to correct the downward decline in commitment by this country to technology support. This present administration has maintained the commitment that the Bush administration demonstrated. Today, our support of civilian research and development is running at approximately 0.46 percent of gross domestic product, and in the Republican budget plan is estimated to fall to 0.27 percent of GDP.

The real impact, the impact on our children and on the citizens of this great Nation, is that we will strip them of their opportunities in the future if we go the path that this budget resolution calls for. Are we prepared to do that? Are we prepared to forfeit the important leadership role the United States has played in technological innovation and growth? I hope that we give a resounding "no" to those questions.

I have to say that our ambivalence about these issues has already allowed Japan to quickly rise to parity with this Nation in the number of patents produced and in the overall excellence of its technological and manufacturing infrastructure. It is anachronistic to say that Japan simply licenses American technological wizardry. They have their own stable of wizards now, and we must compete. We simply cannot role over and allow ourselves to become followers in the field of high technology advancement. That would be an unforgivable legacy to leave to our children.

I strongly encourage my colleagues on both sides of the aisle to reconsider our Nation's technology support program. I think that most would agree

that our Government should not be engaged in picking winners and losers. That is not the issue. What we need to understand is that the combination of fierce market forces and the globally competitive environment we are in rarely support the precompetitive stage of product development. Despite the prospect of substantial reductions in federally supported civilian research and development, the Wall Street Journal has reported that numerous private commitments to research and development are also being cut. In fact, the Wall Street Journal reported that AT&T, General Electric, IBM, Kodak, Texaco, and Xerox have all announced intentions to cut their research budgets.

While other nations ensure that they will build and maintain a strong foundation for research support in their private sector, our Nation is turning away from this strategy and seems all too ambivalent about letting advanced manufacturing move abroad, allowing high-wage jobs to disappear, and allowing the responsibilities and rewards of innovation to be taken by our competitors. If we hope to restore the economic health of our Nation, then we should embrace these proven growth-producing programs which help our industry and help our citizens, rather than running from those programs. Adam Smith, if he were here today, would argue that our precompetitive technology programs are indispensable to the national interest.

Export assistance programs are also in our national interest. On the 19th of June, Senator BOND outlined for us the important role that the International Trade Administration and the Bureau of Export Administration of the Department of Commerce play in our international trade activities and in our economy. I agree with him that these governmental functions need to be maintained. To the degree that the conference report fails to support these activities, we need to go back to the drawing board.

Let me first point out that our great Nation spends less than 2.8 cents supporting each \$100 of exports. On one hand, given that export related jobs tend to earn higher wages and, on the other, that our Nation is approaching a \$200 billion trade deficit this year, our support for export activities is a worthwhile investment. In fact, our investment in exports is too paltry as it is.

Comparatively, as a recent report from the Economic Strategy Institute reports, the lowest level of export assistance support among other developed nations is about 10 times the U.S. level. The recent trade agreement that was just consummated yesterday between ourselves and Japan should highlight for the American people and for this body the importance that trade plays in our ability to maintain good-paying jobs in this country.

A gauge often used to assess the jobs impact of exports is that a billion dollars of exports equals about 20,000 jobs

in the American economy. If you run the numbers, it is clear that our economy is losing about 4 million jobs because of trade deficits. Cutting the budget deficit should help increase the overall health of the economy, should lower interest rates, and should help spur business activity in the Nation. But it is also clear that the export sector will become an even more important driver of our economic growth. Given these trends, it is important that Government address market failures in the export sector.

Exports are important to this economy. And exports create jobs, good jobs. Export-related jobs are growing seven to eight times as fast as the growth of total employment. A decade ago, less than 7 million Americans worked in export-related jobs while today the number is close to 12 million. In another 5 years, the number will approach 16 million. And given what we know about the stagnation of wages in this Nation, that despite high corporate profitability today, our workers are not benefiting from increased productivity, it is important to underline the fact that export jobs pay more, in fact, about 15 percent more than other manufacturing jobs.

Companies that manufacture for export are more productive, and they are less likely to be caught in the tailspin of a shrinking manufacturing sector. We ought to consider putting manufacturing jobs on the endangered species list, Mr. President, if we turn away from our efforts to export. To be clear about the financial impact: white-collar manufacturing workers earn an average of \$20.50 an hour in wages and benefits, blue collar workers earn \$16.69 an hour, and people employed in the service sector average just \$8.39 an hour. Every time we replace a manufacturing job with a service job, we are cutting our wages in half. Mr. President, just going with this trend cannot be in the national interest. We need to support our export base and support our technology base. Anything else would be irresponsible.

Some might ask, why not leave a sector that is growing—and that is the export sector—that seems healthy and headed in the right direction, free from any Government meddling? First of all, this export activity has been achieved through private partnerships with Government. When the market fails to provide critical export financing, the Ex-Im Bank, a classic example of Government/private sector partnerships, absorbs credit risks that private institutions would not absorb. And has the Ex-Im Bank been a deficit creator? No. During the last fiscal year, the Ex-Im Bank took \$785 million from the U.S. Treasury and provided \$15 billion in financing that supported \$17 billion in United States exports, with nearly half of this going to the fastest-growing big emerging markets such as China, India, Indonesia, Malaysia, South Korea, Argentina, and Brazil.

There are many other examples of how we have helped in promoting ex-

ports in this economy, Mr. President, through Government/industry partnerships. Addressing risks that the private sector would not, the Overseas Private Investment Corporation, a quasi-Government institution, has provided the insurance to make global trade and investment more secure. OPIC, which has not paid out any large claims since the mid-1970's, has actually generated significant returns to the treasury. But even when discussions have been held about privatizing this activity, private providers contend that they will not make insurance commitments that OPIC can. These are examples of the Government addressing failures of the market; and they happen to be examples where the costs, if any, to the Government, have been turned into strong positive gains.

In the international arena, when foreign markets are truly free, then the Department of Commerce and USTR need not negotiate for and protect American economic interests, but such free markets exist only in theory. A realistic look at world trade would show the French subsidizing their export financing; Chancellor Kohl offering \$2 billion in low cost loans to China linked to purchases of German products; and Tokyo pouring over \$2 billion a year for foreign aid into Indonesia to grease the way for its firms.

The neoclassical economist would argue, no problem. They would argue that American consumers still win, and these other governments are only harming themselves and their people. The problems with that line of reasoning are many, but in particular, we are not engaged in a perfect world economy. In Japan, producers' interests are dealt with more preferentially than consumers'. And as we know in this Nation, consumers' interests are not generally subordinate to producers. Over the long run, specialization will occur, and production will move to areas like Asia where consumer interests have been constrained. To prevent further erosion of the American manufacturing and export base, we need to support industry efforts to penetrate otherwise closed foreign markets.

The Department of Commerce estimates that over \$1 trillion of infrastructure projects will come on line in Asia in the next decade. Virtually all of these projects will be awarded by governments, and virtually all will be hotly contested by companies supported by their home governments. I believe that we cannot responsibly afford to further diminish the meager support that we provide our exporters just as other competitors are expanding theirs. We need our Government on the front line to make sure that American firms and American workers get a good share of these projects.

Furthermore, over the last 40 years, the American economy has been the robust growth market on which our firms have focused and which firms around the world have targeted. Our corporations have not developed the same

skills base and support structures that other nations have developed to promote exports. For smaller and mid-size firms, international opportunities are new and important, and America has hardly tapped the tremendous potential of this sector. For these companies, acting purely on their own, the task of penetrating foreign markets is expensive and overwhelming.

Fifty large firms account for about half of America's exports. We need to do better, and we need to, as a Government, support an infrastructure for export growth. That means that we need to support the efforts of the Foreign Commercial Service, need to broaden our counseling activities, and need to continue to connect our small firms, which are the backbone of our economy, with resources to achieve export-led growth. This is what Government is supposed to do. And I would propose to you that such a jobs-growth strategy complements our budget reduction goals, the combination of which will maximize our investment in the future.

Let me briefly share with you two brief stories of encounters of firms from the great State of New Mexico with the Department of Commerce, that so many here seem bent on dismantling. FMI, an Albuquerque developer of software applications for barcode scanners, had never exported to the Mexican market. With the assistance of the Santa Fe office of the International Trade Administration, FMI participated in RepCom '94, a show organized under the State of New York trade division that enabled the firm to secure important distributors, establish relations with potential client firms, and even yielded a significant direct sale. The firm has just secured its first-ever sales in to the Mexican market and expects its position to grow. Second, United States Cotton, a manufacturer of cotton pads and other cotton cosmetic products, recently reported the signing of a joint venture agreement with a firm in Chile, where it too had never traded before. Using the Gold Key Service Program of the Department of Commerce, U.S. Cotton has been able to generate first-year sales approaching \$500,000. The firm anticipates that expanded production capabilities in Chile will result in expanded sales and will create additional jobs.

Let me also add that the great State of New Mexico, which has led the Nation in terms of export sector growth over the last 5 years, trades today nearly as much with Japan as with Mexico. And New Mexico exports to the Asian region in total are actually much greater than to Mexico. Last year, New Mexico exported approximately \$100 million in goods to Mexico, \$80 million to Japan, and \$150 million to the Asian region. The combined efforts of the state's trade development offices and the Santa Fe office of the International Trade Administration in

the Department of Commerce as well as the resources of the Small Business Administration have helped New Mexico to participate in the global economy. We have a long way to go in our great State, but supporting exports, supporting technology development make sense for New Mexico and make sense for America.

In conclusion, Mr. President, we need to heed Adam Smith's word. We need to make sure that Government addresses those tasks that the private sector cannot or will not address. We need to maintain our investment in civilian research and development efforts, and we must continue to build the export platform that has been under construction for some time. To fail to do this would limit our leverage in building a more prosperous future and securing continued American leadership.

I would like to remind my Republican colleagues that their opposition to these export programs is an entirely new development. Letters of support for the Foreign Commercial Service, for expansion of International Trade Administration domestic service centers, and for prevention of reduced staffs for sites have been sent to the Secretary of Commerce by Senators BROWN, CAMPBELL, COVERDELL, D'AMATO, DOMENICI, HATCH, HATFIELD, and numerous others. I realize that we are all facing a confluence of tough choices in our budget deficit reduction efforts, what to cut and what not to cut—but I would argue that our colleagues' earlier intentions were correct, that supporting our small and mid-sized businesses into the international arena was the correct strategy to jump start growth, spur jobs, and create a more healthy economy.

Claims that these programs significantly impact our budget deficit are not supported by the facts. We spend less than a billion a year for all export programs in a \$1.2 trillion annual budget, but reducing this amount would harm our business sector, reduce growth, stifle incomes and keep us blocked out of important growing economies. We would effectively be handing over to other nations important, high-paying jobs that would otherwise go to American workers.

That, Mr. President, is not what we have been elected by the citizens of this great Nation to do.

Mr. President, let me just urge that in finalizing a budget resolution between this Congress and the President, we need to keep our eye on the ball of those programs that will promote job creation and promote more economic growth in the future. This budget, as it comes before us today, does not do that. Mr. President, I hope that can be corrected before final action is taken by this Congress.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER (Mr. MACK). The Senator from North Dakota.

Mr. DORGAN. Mr. President, I yield myself as much time as I may consume of my remaining time.

The PRESIDING OFFICER. There are 20 minutes remaining of the Senator's time.

THE 1996 BUDGET: TRUTH AND PRIORITIES

Mr. DORGAN. Mr. President, today we will consider the conference report on the budget. It is interesting that we saw, today, a big chart on the floor of the Senate, again, entitled *Where is Bill?* I indicated the other day that if I were someone inclined to do that sort of thing, I would bring a chart that says *Where is the Bill?*

This budget conference report comes to the floor of the Senate, I believe, nearly 75 days after the law required that it be brought to the floor. But, frankly, I think that is less important than the question of what is brought to the floor. I do not think there is much difference here on the floor of the Senate with respect to our desire to balance the budget. No one who is thinking very clearly in this Senate or in this Congress or in the country could believe that we can spend money we do not have very long and remain a strong nation.

The question is not whether. The question is how do we put our fiscal house in order and balance the budget?

In 1993, I voted for an initiative recommended by President Clinton to cut \$500 billion from the projected deficits. The \$500 billion cut in deficits included some very controversial things. It included some tax increases that were not popular, some specific spending cuts that were not popular. And I understand why a number of people did not want to vote for it. In fact, it passed the Senate by one vote. It passed the House of Representatives by one vote.

In the Senate, in fact, we did not even have one Member of the minority vote for that resolution—not one. I understand that as well. They felt strongly that it was a resolution that did not have the correct priorities, so they did not want to support it. Many of us voted for it, even though it was very controversial, in order to reduce the deficit. We felt it was necessary to do so. Now we have folks saying, well, the Democrats do not care about the deficit, and they do not want to do anything. The fact is that we had to produce all the votes in 1993 on the \$500 billion deficit reduction package. We did not get help from one Republican.

But what is past is past. The question is what do we do now for the future? The majority party brings a budget resolution to the floor of the Senate today. First of all, let me give them credit. I think this is the right issue. We need to reduce the deficit. In fact, some were critical of the President this morning, and I share that criticism. I have indicated to the President that the initial budget he sent to this Con-

gress had deficits that were too large, and I assume that is why he sent us a supplemental budget recently. I share that criticism. I think we have to do this in a manner that is right and real for the American people.

A while ago, I asked one of my colleagues on the floor of the Senate to look at page three of the budget resolution. The budget resolution, which is on every Senate desk, which we are going to vote on today, says on page three, line four, *Deficits*. It says, "For the purposes of the enforcement of this resolution, the amounts of the deficits are as follows * * *" And then it indicates that in the year 2002 the deficit is \$108 billion.

I have been watching people break their arms patting themselves on the back this morning, saying that this is a balanced budget. I come from a town of 300 people where people talk pretty straight about these things. If you look at this and read page three, they would say, wait, if you say this is a balanced budget, why in the year you claim there is a budget in balance do you have a \$108 billion deficit? This is not a balanced budget.

The only way they can claim it is to say: We will reduce this \$108 billion to zero by taking the trust funds in the Social Security account for that year, and we will show this as a zero debt. Well, let us say a business has lost \$100 million. If a business did what this budget does, if you told business people to take the money from their employees' pension accounts and bring it into their books and claim they have lost no money, the folks that did that will be fast on their way to jail. This is not an honest way to budget. This budget is not in balance. That is point No. 1.

We need to balance the budget. We need to do it without misusing the Social Security trust funds. Those Social Security trust funds coming from taxes taken from the paychecks of workers, contributions made by businesses, which go, by law, into a trust fund. They are not to build star wars, or to offset other kinds of spending in the Federal budget, but only for the purposes of funding Social Security. This budget is out of balance.

The only way they can put it in balance—even though on page three it says it is a \$108 billion deficit in the year 2002, the only way they can put it in balance, and the way they come to the floor and claim it is in balance is to misuse the Social Security trust funds. That is not an honest thing to do; it is not the right thing to do.

Second, with respect to priorities. Previous speakers today said the fact is that we need to cut spending. I do not disagree with that. I sent to the Budget Committee recommendations on over \$800 billion of deficit cuts, most of it spending cuts.

But this budget comes to the floor with more money for defense. This budget comes to the floor with a special accommodation made so we can continue to build star wars, SDI, or