

threatens to veto; reforming welfare to get people back to work, to strengthen families and force deadbeat dads to pay support; and consolidate and eliminate other programs. So the tax relief is the dividend to the American people for Congress downsizing this Government.

Some oppose tax relief because they do not believe the American people can make better decisions on how to spend the money that they worked so hard to earn. The Republican Party puts faith in the American people and the States. I would not be rich but I would be wealthier than I am if I had a dollar for every time somebody on the other side of the aisle proclaimed that it was necessary for the Federal Government to make these decisions because we cannot trust the States.

Mr. President, you and I know it is a whole lot easier to influence directly the people at the State and local levels who are making the decisions than it is to get the Federal Government to slow down, to change direction and to begin moving in the right direction.

The opposition's bottom line is, support big Government. They do not want to see programs and agencies eliminated. But the bottom line is that the Government is the problem. As Bill Bennett, former Education Secretary said earlier this year in testimony before the Senate Budget Committee:

We have created a nanny state that takes too much from us in order to do too much for us. This has created inefficiency, sapped individual responsibility, and intruded on personal liberty.

Mr. President, I could not say it better. It is time for us to take a stand. Congress cannot duck its responsibility and neither can the President.

The PRESIDING OFFICER. Under the previous order, the Senator from Tennessee has 15 minutes.

#### THE REPUBLICAN COMMITMENT TO THE AMERICAN PEOPLE

Mr. FRIST. Mr. President, I rise today to join my freshman Republican colleagues in discussing further the Republican commitment to the American people, initially made last year in the elections and carried through to today. We promised essentially four things: to balance the Federal budget, and to do that in 7 years; to end welfare as we know it; to save Medicare, to have the courage to save Medicare and, at the same time, as pointed out by my colleague from Arizona, to strengthen Medicare and preserve it for that next generation, and to not just put Band-Aids on a system that is literally hemorrhaging but to prepare that system and strengthen that system on into the next century; fourth, to reduce taxes in a way that provides relief to families with children, allowing them to keep some of the money they have earned in their own pockets, and to stimulate growth and generate jobs.

The bottom line is very clearly that the future of our Nation and the future of our children depends upon whether

we have the courage to balance the budget, to save Medicare, to strengthen Medicare, to end welfare as we know it, and to give some degree of tax relief.

The current path of this country leads to uncontrolled Federal spending and borrowing, skyrocketing annual deficits—\$200 to \$300 billion by the year 2000 and even higher deficits thereafter. In fact, the deficit spending increases approximately \$320,000 every minute, which means just in the short period of time that I have been talking, it has increased about a million dollars.

Our current path leads to another \$1.2 trillion added to our national debt. It is unacceptable. It will bring, by the year 2000, that debt to about \$6.7 trillion. Our current path, if we were to do nothing, leaves a Medicare Program that goes broke, a Medicaid Program that doubles in size, with no tax base that can support that.

Our current path, if we do nothing, leads to an enormous, unsustainable tax burden on young workers, on our children today, who will be forced to face an 82-percent tax burden over the course of their lives. Unless we do something, and do something courageously and aggressively, our current path will lead to the first generation of Americans in our history who have fewer opportunities than their parents.

What will happen if we balance the budget? The Senator from Arizona pointed out a number of interesting facts. Again, we have to face the truth. We have to return to see what the facts actually are. A lot of scare tactics are being used today—especially in the field of health care, against our seniors—which are in essence, I think, cruel. In that same debate, we have to come back to the facts of what can be accomplished, what the realities are today.

Similarly, by just balancing the budget, what are the facts? Economists calculate, again—everyone that has come through—that interest rates will fall incrementally by 1 to 2 percent once we balance the budget. The higher interest rate people pay today because of the debt means that people pay more for car loans, for mortgages, for credit card balances, and for equipment for their small businesses.

Thus, if we can balance the budget—and we need to do it within 7 years, again, with no phony numbers, but accurate numbers—we can do the following: lower interest rates, which to the average family will mean that they can save as much as \$1,200 each year on a \$75,000, 30-year mortgage. It means on the purchase of a car, say \$15,000, over the life of that loan a family will be able to keep \$1,000 additionally in their pocket to invest, put in their small business or to put in education. For a typical credit card balance of \$1,800—which is what it is in this country—an individual or family will save \$36 per year by just balancing the budget. Over the next 6 to 8 weeks, the blueprint will be out there. A family can save as much as \$1,100 over the life of a loan on

a small business or for a typical piece of farm equipment.

For business, lower interest rates will mean that businesses—by that, I mean small businesses—one- and two-person operations, as well as large businesses—will be able to grow because an investment will cost less. Profit margins will exist or be higher. Short-term loans will be less expensive. Inventories will cost less to store. Expansion will increase and innovation will be less costly.

By simply putting a blueprint out there in law over the next 6 to 8 weeks to balance the budget, we will also, in addition to allowing interest rates to come down, allow businesses to grow, new jobs to be created. And as businesses invest and grow and our Nation's output begins to rise, opportunities for every American will expand. According to recent studies, as many as 6 million new jobs—new jobs—will be created.

According to a well-known economic forecasting firm, if we balance the budget by the year 2002, the gross national product will be \$170 billion higher than if we do nothing and we do not balance the budget. That represents, overall, a 2.5-percent increase in productivity for businesses. That translates down to an average family's standard of living being increased by about \$1,000 a year.

What does it take? Courage. It takes us acting as elected representatives in a responsible way. The outcome of the budget battle will clearly determine in what direction our country will move for the remainder of this century, the next 6 years, but also well into the next. It will take the courage of each of us, the President of the United States, every Member of Congress, and every American citizen, to make sure that the direction we choose is the right one.

We will either have the courage to make tough choices, to face facts, so we can march into the future secure in the knowledge that the promise of America will be as bright for our children as it was for our parents.

The alternative is to sink deeper and deeper into debt, until the despair that many Americans now register in the polls will be justified. The President talks a lot about common ground today, but really what this country needs is common sense—common sense and the courage to carry out the blueprint.

Thank you, Mr. President.

Mr. SANTORUM addressed the Chair. The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

#### THE MISSION BEFORE US

Mr. SANTORUM. Mr. President, I rise to join today with my freshman and sophomore colleagues to talk about the mission before us here in the next several weeks. We here in the Senate, and in the House, and the American public are now focused on the mission at hand, which is to try to balance