The PRESIDING OFFICER (Mr. SANTORUM). The Senator from Washington.

Mr. EXON. Mr. President, you are going to move back and forth, is that right?

Mr. FORD. No.

The PRESIDING OFFICER. The Chair heard the Senator from Washington first.

Mr. GORTON. I will be happy to listen to my friend from Nebraska.

Mr. President, I will be happy to listen to my friend from Nebraska. I am not in that much of a hurry and he always has wise counsel.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, I intend to be here until this discussion is over. I was going to ask a question of my colleague from Florida, if I could, before he leaves the floor? Will he yield for a question, with the understanding he is not losing the right to the floor?

The PRESIDING OFFICER. The Senator from Nebraska has the floor.

Mr. EXON. May I ask my friend from Florida, does he have any idea that, if and when we come to a resolution with regard to balancing the budget by the year 2002, as to what the chances are, given the $242 billion tax cut, and if that remains in the final product does the Senator from Florida believe that, if the tax cut remains in the package, that the budget would remain balanced in the year 2003? 2004? And 2005?

Mr. MACK. I will say to my distinguished colleague, it is my understanding that what we are dealing with here is a budget resolution that covers the 7-year period. It is my understanding, according to CBO's estimate of that, that it would be in balance in the year 2002, which is the timeframe that we have established. Yes, you can make the reductions in spending, reduce the rate of growth in entitlement programs, balance the budget, produce a bonus as a result of balancing the budget that will pay for the tax proposals.

So, I am of the opinion that, in the year 2002, that is correct.

Mr. FORD. But he is asking about 2004 and 2005.

Mr. MACK. I understand what he is talking about.

Mr. EXON. Even if it comes to that, you have not looked beyond that to see whether or not it would remain balanced in the year following, or the year following that, or the year following that? After 7 years?

Mr. MACK. Mr. President, if I may respond, it is the opinion of this Senator that, again, if we can keep a very significant component of the tax proposal intact—that is, the lowering of the capital gains tax rate—that when we hit the years numbered 8, 9, and 10, that we are going to see that the revenues that are going to be projected in fact will increase beyond that because having freed up capital that is now locked into old investments, old technologies, it will create the jobs and the opportunity in the years ahead to, in fact, create the balanced budget in year 8, year 9, and year 10.

Mr. EXON. I simply say to my friend from Florida, I hope that works out that way. But all of the figures I have seen indicate just the opposite, and we may have some more information on that in detail form in the near future.

I simply point out to all that this magnificent exercise that we are going through should be better understood by all for what it is right now. The reason that I am worried about the outyears is that the present Republican plan is so heavily loaded with regard to the cuts in spending that are necessary to balance the budget in the 6th and 7th years—and that happens to be a situation where, under the Republican plan, 60 percent of the cuts, 60 percent of the reduction in spending that will have to be made to meet that 7-year balanced budget, is done in year 6 and year 7. That is a pretty heavy load in years 6 and 7. That is called back loading.

Backloading is one of the concerns that I have about the whole proposition. But while we are backloading, where we are going, if this deal materializes, we are going to have 60 percent of the cuts made in the year 6 and in the year 7. So the first 5 years are not so bad. Katie bar the door when you come to those last 2 years. Then on top of that, Mr. President, at the same time is when the cost of the $242 billion tax cut kicks in. That is also backloaded into this program, and there the major portion of the money necessary to pay for that $242 billion tax cut comes in the 7th year and then really escalates in year 8 and year 9 and year 10.

What I am saying is that, while I hope this works out, there are lots of problems ahead as we move forward. And we have to be realistic.

I would simply say that I will be here while the rest of this discussion is going on. I was very pleased with the report from the majority leader and the Democratic leader that things now seem to be moving. But, unfortunately, I thought things were moving when we were starting detailed specific negotiations for tomorrow afternoon. It might be wise if we would all be quiet, you know, tone down our rhetoric at a time when we hope our leaders can come to some kind of an agreement and not be here on the floor making pontifical statements, that we have every right to do, but that I do not believe is going to contribute very much to the bipartisan effort that is going to have to be made to come up with a balanced budget in 7 years using the Congressional Budget Office scoring. There is going to have to be a lot of give and take. And certainly the leadership, which is undertaking those negotiations at the White House, is going to be under enough stress and strain without us on the floor of the Senate trying to take partisan shots one against the other.

I yield the floor.

Mr. GORTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

A BALANCED BUDGET

Mr. GORTON. Mr. President, earlier this year the House of Representatives passed by substantially more than a two-thirds majority a constitutional amendment which would have mandated a balanced budget in the year 2002 and in every year thereafter. Later in the Senate of the United States that constitutional amendment was defeated by a single vote. The reason, of course, that the constitutional amendment had that kind of prospective application was that to undo the disparity between spending and revenue which has built up over the years, contributed to by administrations both Republican and Democratic, would in all probability require that amount of time.

Since many of the Members in both Houses who voted against that balanced budget in the year 2002 did so on the stated ground, at least, that Congress should take responsibility into its own hands and balance the budget without what they called the crutch of the constitutional amendment, Members primarily on this side of the aisle took that counsel seriously. That was the origin of the drive toward a budget resolution and a series of changes in our laws which would bring the budget into balance by that year.

Mr. President, I do not know what Members of this body will think in the year 2003 or 2004 and 2005, and it was for exactly that reason that I voted in favor of that constitutional amendment, so that the kind of games of backloading, about which my distinguished friend from Nebraska complained, simply could not take place in the future. In fact, Mr. President, I am quite optimistic that a Congress will soon be elected wiser in that respect than this one, a Congress that does in fact submit such a constitutional amendment to the people.

In the meantime, however, Mr. President, I believe that it would be an accomplishment beyond anything dreamed of by more than a handful of Members of our predecessor Congresses actually to pass a series of laws that would create that balance in the year 2002. And it is to that end that we have been driving over the course of the last 6 months and more. It was that goal which we finally thought, believed, hoped that the President of the United States had joined when he signed a law creating a continuing resolution before Thanksgiving Day which included the statement that there would be a balanced budget using honest numbers derived by the nonpartisan Congressional Budget Office this year, a year that is almost over.

The disappointment, the bitterness, here and elsewhere, the shaking of faith, the faith that has caused interest rates to drop by a full 2 percent over the last year, the faith that has sustained our economy, the shaking of

that faith in recent days has been derived, Mr. President, solely, I am convinced, from the failure of the administration to meet the obligation which it entered into jointly with those of us here in Congress.

This Congress passed a balanced budget, a set of proposals that would balance the budget by the year 2002. Every Member who voted for that budget believed not only that obligation, but every one of the other priorities set forth in our continuing resolution just before Thanksgiving with respect to the protection of Medicare, the more favorable tax treatment of working Americans, education, the environment, the entire list. It was perfectly appropriate, I suppose, for the President to disagree with that proposition. That is what makes up political debate. It is perfectly appropriate for Members of the other party to disagree with that proposition. What was inappropriate was the absolute, total, complete, abject failure to come up with an alternative that met their priorities, and met the legal requirement for balance using these honest figures.

It is for that reason, and one other that I will mention in a moment, that we have this second crisis, this second partial shutdown of the executive branch.

Now we are given hope once again that in a relatively short period of time between this evening and the end of the year in fact we will be able to work out a truly balanced budget using the honest figures, the conservative figures supplied by the Congressional Budget Office. Perhaps—perhaps—tomorrow we will see for the first time, for the first time a submission by the President of the United States that meets those requirements, and then we can join in a discussion of how significant the tax reductions for working Americans should be, how dramatically we should reform and strengthen Medicare, what we should do about education and the environment. But to this point we have only budgets which say we ought to spend money in these various areas but not pay for those services, send the bills to our children and to our grandchildren. And that is the cause of the situation in which we find ourselves today.

Even so, Mr. President, we could be discussing this issue more objectively perhaps if there were not the constant interference of the shutdowns of the Department of Veterans Affairs, the Department of Housing and Urban Development, the Department of Interior, our museums, our national parks, and the like.

Well, Mr. President, in that connection, this Congress passed and sent to the President appropriations bills for the whole next year pursuant to which none of those departments would have been shut down whatsoever and bills that were consistent with reaching a balanced budget in the year 2002. And yesterday, the President vetoed those bills. He vetoed those bills and closed down the national parks, closed down the Department of Veterans Affairs, closed down our museums and tourist attractions here in this city. Why? At least in part because we did not appropriate enough money for them, appropriations inconsistent with ever reaching a balanced budget, and often on rationales which contradicted what he has done earlier during the course of this year.

And so now we have a bit of static in public opinion. We have departments shuttered, closed down, parks shuttered and closed down because of Presidential vetoes on particular appropriations bills passed by this Congress and sent to him but interfering with the far more important long-range goal of seeing to it that we finally give up the habit of determining that today we cannot do without various services, however important they sound, whatever the interest groups are that support them, but that we are not willing to pay for them ourselves. And so we sent the bills to those who cannot vote today, those who are already born, who are children in school but who are under the age of 18 and those who are not yet born. They can pay for what we want for ourselves today.

Mr. President, that is fundamentally wrong. It is wrong from the perspective of our economy. We know that if we honestly balance the budget, we will retain and strengthen lower interest rates. We will strengthen our economy, or new job opportunities that we have. We will give people hope. It is morally wrong to demand services today that we are unwilling to pay for. And the one thing we have not heard in this debate at any time from either the President or the Members of the other party, we ought to spend what the President asked us to spend and we ought to increase taxes. By what, Mr. President, half, two-thirds, three quarters of $1 trillion over the next 7 years? So that we can have these services but pay for them ourselves. They have not suggested that. Their suggestion remains let us have these goodies now and let us send the bill to someone else, someone without a voice in this Congress.

Now, my friend from Nebraska, who has stayed in the Chamber, has made what I think is an excellent suggestion, and I know that he does share our goals with us. He has said that he is troubled by the fact that so much in the way of these spending reductions are deferred to the end of this 7-year period. And can we continue beyond the year 2002? Well, Mr. President, even if the Medicare reforms that we have proposed were passed lock, stock, and barrel, without any change, we would not have solved the problem of the burden that creates for the American people in perpetuity by any stretch of the imagination.

Oh, yes, Mr. President, I say in response to my friend from Nebraska, there would still be more to do in the year 2003 and 2004 and 2005 and probably before then. But most of the objections to what we are doing from his party have not come from the proposition that many of these spending cuts take place in the last 2 years. They come because the spending cuts are there at all. They simply do not want to do them at all. And I believe, Mr. President, that if we will look a little bit beyond ourselves, look across the Atlantic Ocean, we will see the ultimate result of a refusal to deal with the social and financial burdens imposed on a society by unrestrained entitlements. We simply have to look at what is going on in France today, a much worse situation than we have here: Strikes and disruptions in services all across the territory of a free country caused by a set of social policies which have choked its economy, which have created unemployment more than twice that in the United States and with no hope for any change whatsoever.

This task that we are taking on now would have been easier had our predecessors taken it on 5 years ago or 2 years ago. It will be more difficult if we defer it until next year or into the next century and the longer we defer it, the more we will look like France.

The time is now. If the Senator from Nebraska has a suggestion that will cause more of these spending cuts to take place earlier rather than later, and to be more permanent, I think he will find many who will support him on this side. Nor does this Senator nor most others say that any one of the numbers within this budget is sacrosanct, whether it is particular spending numbers, particular tax numbers or the like. What we do regard as the bottom line is that we really get to balance; that we provide that dividend to the American people of half a trillion dollars or more which we are told will come from a truly balanced budget using honest figures.

Perhaps we will look back and say today was a major day in the course of reaching that goal. Perhaps this is the day on which the President truly joined in the search for that balanced budget and those dividends. I sincerely hope that that is true. I am certain that if it is true, this will no longer be a partisan exercise but will be one in which the Senator from Nebraska enters into enthusiastically and successfully.

Mr. REID addressed the Chair.

Mr. WARNER addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. I yield to my friend from Virginia.

DETERIORATING WEATHER CONDITIONS

Mr. WARNER. I thank my distinguished colleague. I rise for the purpose of advising the Senate, in my capacity as chairman of the Rules Committee, that there are many employees quite anxious to go home in view of the