and the substance of the budget is significantly different than what has occurred in past years. There is a commitment by this Congress to get to a balanced budget by the year 2002.

A year ago, we sent a budget that would have accomplished that to the President, and he, regrettably, vetoed it. Now the President has come forward and accepted this challenge and said that he also believes that we should get to a balanced budget by the year 2002. He sent up to us a proposal to accomplish that. His budget, as proposed, has many constructive functions in it. It also has many questions. Regrettably, it has a lot that is left undone and unaddressed.

On the constructive side, he does get to a balanced budget —at least as he claims—using his numbers. Unfortunately, the questions that are raised by the way in which he gets there are significant. For example, next year, the deficit will go up and the following year the deficit will go up, under his budget. Even in the following year, the deficit goes up under his budget. It is not really until he is about to leave office that he alleges or represents he is going to put in place programs which would bring the deficit down. That, to me, is not what I would call a good glidepath to a balanced budget. The glidepath should be a downhill glidepath, not a roller-coaster graph.

The President proposes about $258 billion of not cuts, but attempts to slow spending over the next few years. Of this, it appears that about $80 billion comes from defense, about $58 billion comes from domestic discretionary programs, and about $21 billion comes from entitlement issues. Those are good, solid numbers—well, not necessarily solid numbers, but good starting numbers, and we will see whether they are solid numbers.

At the same time he is proposing $121 billion in savings over the next few years in the rate of growth of entitlements, he is also proposing $60 billion of new spending on entitlement programs, such as new Medicare benefits, Medicaid benefits, food stamp and SSI benefits, new health insurance benefits. And under his education initiative is a brand new entitlement program for school instruction, allegedly, and a brand new entitlement program for school literacy—$60 billion in new spending, which gives you basically a net in the entitlement areas over 5 years of $60 billion in reduction, which is not a very significant number. That is about $10 billion a year on entitlement spending which annually represents almost 55 percent of the Federal budget and is closing in on $700 billion. So it is not a big number. In fact, it is not a strong enough number in order to get to a solid balanced budget because what happens is that, even if we get to the balanced budget, even if we accept the figures which the President has proposed in his budget as getting to the balanced budget in the year 2002, we see those deficits exploding after that period. Why is that? Because there is no fundamental proposal for structural reform of the major entitlement programs in the President's budget. That is where I believe this budget is inappropriate. There has to be fundamental reform if we are going to honestly address this issue, if we are not going to simply pass it off onto the next administration, as would occur in this case, or the next Congress as might occur in our case, or, unfortunately, the next generation, which is exactly what we are doing as a Congress and a Presidency if we pursue a tentative course in addressing the entitlement reform.

In the area of entitlement reform, there is in the President's budget no initiative to try to put in balance for any extended period of time the Medicare trust fund, part A, or the Medicare system. The President of the Senate today has been one of the leaders on the issue of how you can reform Medicare in a substantive way so we can have a strong insurance system for our seniors.

I have also put together something called Medicare Choice, or Choice Care, which would be a substantive structural reform which would use the marketplace to try to create an incentive for efficiency in the Medicare system which would give seniors choices, much as we have as Members of Congress, to go into the marketplace and choose a variety of different health care programs, the type of structural reform which myself and the Senator from Tennessee, who is in the chair today, have talked about, are trying to energize and for which we have a lot of support, by the way, here in Congress. It is nowhere to be found in the President's proposal, nor is there any other structural reform which would address the underlying Medicare concerns to be found in his proposal; just a variety of traditional provider payment slowdowns and possibly an accounting mechanism that would significantly adjust the way we pay for home health care. Neither is there a long-term solution, but one which is a totally inappropriate accounting gimmick. There is no long-term solution as to how we make Medicare solvent. So the proposal does not address Medicare reform.

The proposal also does not address the reform of our tax laws, which it should. It calls for a $98 billion cut in taxes. It also calls for an increase in taxes of about $76 billion. So essentially there is no tax cut in this package. More importantly, there is no attempt to address the underlying problem which our tax laws have. We just saw where the IRS spent $4 billion to put in place a computer system to try to make the tax system work in this country, and it appears it can't even figure out who is filing what returns when and how much they are owed. After spending $4 billion, the IRS has openly admitted that it has failed; $4 billion down the drain. Why is that? Is it because they cannot produce such a computer system? In large part, yes. More significantly, it is because our tax laws are so complex and convoluted that they are simply unenforceable and ineffective, and is not a way that we should be raising revenues for the citizenry. The IRS has become a totally overbearing and, in many instances, inept organization which the American people no longer have confidence in. That undermines constitutional government when your tax-raising organizations lose the confidence of the people.

So there should be a proposal, or at least a discussion of or an initiative for how you reform the tax laws, how we take this great, huge, byzantine morass called the IRS and bring it into the 21st century and simply make it understandable and give the American people an opportunity to file a tax return on a postcard, pay taxes, and know that they are being accounted for correctly and recognize that we need more efficiency.

So there is no proposal in here for fundamental tax reform, and there should be. The President has missed an opportunity. It is basically a budget which is based on optimistic economic assumptions, has in it new entitlement proposals for spending, and has a very low net tax cut, none of which really accomplishes the basic goals of the balanced budget. If we are going to balance the budget, we have to fundamentally reform the underlying drivers of our budget problem, which is the entitlement system and our tax laws. Yet, that is not addressed in this budget proposal. It is, however, a starting point.

We as a Senate, and I as a member of the Budget Committee, intend to take it as such and to work with the President to try to put in place something that should not only lead us to a balanced budget in the year 2002 but will give us an opportunity at least to see some light at the end of the tunnel for a long-term resolution of the major underlying public policy questions which we have in this country—Medicare, Social Security, and our tax laws.

So I appreciate the time, Mr. President, of the body. I yield back my time at this point.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Wednesday, February 5, the Federal debt stood at $5,302,957,481,388.92.

One year ago, February 5, 1996, the Federal debt stood at $4,987,401,000,000.

Five years ago, February 5, 1992, the Federal debt stood at $3,800,008,000,000.

Ten years ago, February 5, 1987, the Federal debt stood at $2,233,219,000,000.

Fifteen years ago, February 5, 1982, the Federal debt stood at $1,030,621,000,000 which reflects a debt increase of more than $4 trillion, $4,272,336,481,388.92, during the past 15 years.