

Clinton's contribution is only \$137 billion; Congress accounts for the rest—\$221 billion.

Of further interest here is that, contrary to the rhetoric over alleged excesses of the (104th) Republican Congress in paring programs indiscriminately, its record on spending in its first year was almost precisely the same as that of the first year of the last (103rd) Democratic Congress—both gave the president some \$50 billion less than he asked.

Receipts in 1994 (and 1993) were close to forecast. But what explains the substantially larger-than-forecast receipts in 1996? If the stock and bond markets are any guide, the determination expressed by the new Republican majorities in the House and Senate to balance the budget by restraining spending improved the economic outlook and was responsible for the better-than-expected economic performance during the last fiscal year (3 percent real growth vs. 2.5 percent forecast) which in turn led to higher federal receipts.

EFFECTS ON DEFICIT: CLINTON VS. CONGRESS
(In billions of dollars)

	Fiscal years—			Cumulative
	1994	1995	1996	
Clinton tax increase	-36	-47	-54	-137
Clinton spending restraint	-5	-18	-34	-57
Congressional revenue increase	-7	-13	-37	-57
Congressional spending restraint	-54	-1	-52	-107

UNANIMOUS-CONSENT
AGREEMENT—AMENDMENT NO. 2

Mr. HATCH. Madam President, I ask unanimous consent that at 3:30 p.m. on Monday, February 10, the Senate resume consideration of Senator DURBIN's amendment regarding economic hardship. I further ask that there be 2 hours for debate, equally divided in the usual form, and at the hour of 5:30 p.m. on Monday the Senate proceed to vote on or in relation to the Durbin amendment, and no amendments be in order to the Durbin amendment prior to the 5:30 p.m. vote.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. HATCH. Madam President, I ask unanimous consent that there now be a period for the transaction of morning business, with Senators permitted to speak therein for up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Williams, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting one nomination which was referred to the Committee on Banking, Housing, and Urban Affairs.

(The nomination received today is printed at the end of the Senate proceedings.)

REPORT CONCERNING THE BUDGET OF THE UNITED STATES—MESSAGE FROM THE PRESIDENT—PM 10

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred jointly, pursuant to the order of January 30, 1975; to the Committee on Appropriations and the Committee on the Budget.

To the Congress of the United States:

The 1998 Budget, which I am transmitting to you with this message, builds upon our successful economic program of the last four years by balancing the budget while investing in the future.

My budget reaches balance in 2002 the right way—cutting unnecessary and lower-priority spending while protecting our values. It strengthens Medicare and Medicaid, improves last year's welfare reform law, and provides tax relief to help Americans raise their children, send them to college, and save for the future. It invests in education and training, the environment, science and technology, and law enforcement to raise living standards and the quality of life for average Americans.

Over the last four years, my Administration and Congress have already done much of the hard work of reaching balance in 2002. We have reversed the trend of higher deficits that we inherited, and we have gone almost two-thirds of the way to reaching balance. Now, I want to work with Congress to achieve the final increment of deficit cutting and bring the budget into balance for the first time since 1969.

BUILDING A BRIDGE TO THE 21ST CENTURY

For four years, my Administration has worked to prepare America for the future, to create a Government and a set of policies that will help give Americans the tools they need to compete in an increasingly competitive, global economy.

We have worked to create opportunity for all Americans, to demand responsibility from all Americans, and to strengthen the American community. We have worked to bring the Nation together because, as Americans have shown time and again over the years, together we can overcome whatever hurdles stand before us.

Working with Congress and the American people, we have put America on the right path. Today, the United States is safer, stronger, and more prosperous. Our budget deficit is much smaller, our Government much leaner, and our policies much wiser.

The economic plan that we put in place in 1993 has exceeded all expectations. Already, it has helped to reduce the deficit by 63 percent—from the record \$290 billion of 1992 to just \$107 billion in 1996—and it has spurred a record of strong growth, low interest rates, low inflation, millions of new jobs, and record exports for four years.

While cutting the deficit, we also have cut the Federal work force by over 250,000 positions, bringing it to its smallest size in 30 years and, as a share of the civilian work force, its smallest since the 1930s. We have eliminated Federal regulations that we don't need and improved the ones we do. And we have done all this while improving the service that Federal agencies are providing to the American people.

We have cut wisely. We have, in fact, cut enough in unnecessary and lower-priority spending to find the resources to invest in the future. That's why we were able to cut taxes for 15 million working families, to make college more affordable for 10 million students, to put tens of thousands of young people to work through national service, to invest more in basic and biomedical research, and to help reduce crime by putting more police on the street.

My plan to reach balance in 2002 provides the resources to continue these important investments. We must not only provide tax relief for average Americans, but also increase access to education and training; expand health insurance to the unemployed and children who lack it; better protect the environment; enhance our investments in biomedical and other research; beef up our law enforcement efforts; and provide the needed funds for a thriving global policy and a strong defense.

PUTTING THE BUILDING BLOCKS IN PLACE

When my Administration took office in 1993, we inherited an economy that had barely grown over the previous four years while creating few jobs. The budget deficit had hit record levels, and experts in and out of Government expected it to go higher. Savings and investment were down, interest rates were up, and incomes remained stagnant, making it harder for families to pay their bills.

We put in place a comprehensive set of policies that are bearing fruit. By cutting the deficit from \$290 billion to \$107 billion last year, my economic program (and the strong economy it helped create) has brought the deficit to its lowest level since 1981. As a share of Gross Domestic Product (GDP), we have our smallest deficit since 1974 and the smallest of any major industrialized nation.

Other parts of my economic policy also are helping to create jobs and raise living standards. With regard to trade, for instance, my Administration not only completed the Uruguay Round of the General Agreement on Tariffs and Trade and the North American Free Trade Agreement, but also more than 200 separate trade agreements, helping to raise exports to record levels. By opening overseas markets to American goods—by encouraging free and fair trade—we are creating high-wage jobs at home.

Taken together, our budget and trade policies have helped to create over 11 million new jobs in the last four years. After two decades of troubling stagnation, incomes have begun to rise again