

the issue with no plans to resolve it. It is sort of triangulation. If somebody in the Congress finds some sort of a resolution to it, then the White House claims success. If it fails to happen, then the White House criticizes Congress but never has a plan of its own. I hope we move away from that. I hope we really address the legitimate question.

There are those who support more government, more Federal Government, a larger Government, and more taxes. It is a belief—and an honest belief, I think sometimes—that that is the best way to govern, that the best way is to take the money from people, bring it here, and then spread it out as they see fit. They believe that. I happen not to share that notion. I happen to share the notion that the better government and the stronger government is closer to the people who are governed; that in fact a smaller central government and a more efficient central government is better and leaves the ability to govern closer to the people.

Mr. President, I hope those are some of the issues and some of the really basic fundamental things that we include as we talk about budgets and as we talk about spending.

I thank you for the time.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ABRAHAM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ROBERTS). Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

CONGRESSIONAL BUDGET FOR THE UNITED STATES GOVERNMENT FOR FISCAL YEARS 1999, 2000, 2001, 2002, AND 2003

The PRESIDING OFFICER. Under the previous order, the Senate will resume consideration of S. Con. Res. 86, which the clerk will report.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 86) setting forth the congressional budget for the United States Government for fiscal years 1999, 2000, 2001, 2002, and 2003 and revising the current resolution on the budget for fiscal year 1998.

The Senate resumed consideration of the concurrent resolution.

Pending:

Murray amendment No. 2165, to establish a deficit-neutral reserve fund to reduce class size by hiring 100,000 teachers.

Mr. ABRAHAM addressed the Chair.

The PRESIDING OFFICER. The Senator is recognized.

Mr. ABRAHAM. Mr. President, thank you very much.

For the information of the Senate, we will now, as indicated, begin consideration of the budget resolution. Although there are not any votes scheduled for today, it is certainly the hope of the majority leader and of the Budget Committee that we can begin the process of hearing from those who wish to bring amendments so they can be fully debated and discussed. I urge any colleagues who might be thinking about offering amendments to join us today. We have heard that a couple may be coming in a little bit. We will welcome them and begin this process of trying to sort through them in the hours ahead.

At this time, it is my understanding that the Senator from North Dakota has opening comments to make. I yield the floor.

Mr. CONRAD addressed the Chair.

The PRESIDING OFFICER. The distinguished Senator from North Dakota is recognized.

Mr. CONRAD. I thank the Chair.

Mr. President, today is a historic day. For the first time in 30 years, the Budget Committee is able to present a budget that is balanced on a unified basis. I think all of us have looked forward to the day when we would be able to say to our colleagues, "The deficit has been erased." That is what we are able to come to the floor and say today.

We all understand that there is more to do, because we all understand we are continuing to use the Social Security trust fund surpluses. So that is the next challenge that faces us. But on that front, we are making progress as well, because in this budget resolution, we are saving the surpluses until Social Security can be strengthened, and we are doing it on both sides. The Republican budget resolution and the alternative Democratic resolution will both be balanced on a unified basis and also preserve all of the surpluses generated by the 5-year spending plan until Social Security is strengthened.

I thought it might be useful to recount for our colleagues and those who might be watching how we got to the position we are in today, what it took to get here, what is the history, how did it happen, because I think it is an important story.

In 1993, President Clinton was inaugurated, came into office and laid down an economic plan to reduce the deficit. It was a controversial plan, one that cut spending and also raised income taxes on the wealthiest 1.5 percent of the people in this country. Many said that plan would not work. In fact, our friends on the other side of the aisle said it would crater the economy.

How well I remember the debate we had on the floor of the Senate. How well I remember the description that came from our colleagues on the other side who told us, "If you pass this plan, it will not reduce the deficit, it will increase the deficit." They said it would increase unemployment; that it would increase inflation; that it would in-

crease the debt; that it would stifle economic growth. Mr. President, the record is now clear. Our friends on the other side of the aisle were simply wrong. They were wrong on every single count. The plan that we passed in 1993 not only reduced the deficit, it has done it each and every year since the 1993 plan was passed.

It has also led to a remarkable economic resurgence. It has led to the lowest unemployment in 24 years, the lowest rate of inflation in 31 years, the strongest business expansion in any of our memories, and put this country on a sound financial footing.

But, again, I think we must all recognize the challenge is not over, because the next step is to stop using the Social Security trust fund surpluses. Again, the budget resolution offered by our friends on the other side of the aisle this year and the alternative that will be offered by our side recognize the Social Security surpluses should no longer be used in the calculation of the budget deficit and that we will preserve all budget surpluses until the time Social Security is strengthened.

Mr. President, this first chart shows that the unified budget is balanced for the first time in 30 years. Here is the record since 1969. Thirty years ago is the last time we were able to achieve unified balance—30 long years ago. And in between, we saw deficits rising inexorably, until in 1992 they reached \$290 billion. Then, as I indicated, President Clinton came into office and proposed the 1993 budget plan, a 5-year economic blueprint that has made dramatic progress. You can see what has happened since: The deficit has been in steep decline, until this year when we anticipate we also may run a small unified surplus, but clearly we are on the right track.

I thought I might also help to put in perspective what has happened in the last three Presidencies, what the record has been on the question of budget deficits, because those budget deficits weighed down on this economy and prevented the kind of economic growth that we have now enjoyed since progress has finally been made.

This chart shows from 1981 through 1999 the budget deficit record. We can see during the Reagan administration, he came in and inherited a deficit of \$79 billion. That promptly skyrocketed so that we were running on almost a consistent basis deficits of \$200 billion a year, absolutely unheard of before that time.

In the last years of the Reagan administration, some improvement was made. We were still running budget deficits of \$150 billion a year.

Then we had the 4 years of the Bush administration, and the deficits took off like a scalded cat. Deficits went up, as I indicated before, so that at the end of the Bush administration, the deficits were running \$290 billion a year. And with the election of President Clinton, a Democratic Congress passed a budget plan in 1993 that has succeeded in reducing the deficits every year of that 5-