



NEWS

Hubert H. Humphrey

HUMPHREY URGES CONGRESS
TO DENY PRESIDENT UNLIMITED
POWER OVER DOMESTIC SPENDING

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FOR IMMEDIATE RELEASE

WASHINGTON, D.C., Oct. 13--Senator Hubert H. Humphrey today called President Nixon's request for a \$250 billion Federal spending ceiling one of the most blatant frontal assaults on Congressional authority that I have witnessed since coming to the Senate in 1949."

"The spending ceiling legislation is nothing more than a domestic Gulf of Tonkin resolution...because it grants to the President unlimited power over domestic spending similar to that he has been able to achieve over the control of foreign policy.

At stake is nothing less than the separation of powers, the removal of the viable checks and balances between the Executive and Legislative Branches which make the Congress an equal partner in governing this land."

Humphrey strongly criticized the President for calling the Congress a spendthrift and related facts which show that instead the Congress has reduced the budgets of the various Presidents during the past 25 years.

On the Nixon budgets, he reported that in fiscal year, 1970, the Congress cut \$8.2 billion; in fiscal year, 1971, it cut \$3 billion; in fiscal year, 1972, \$2.7 billion; and this year Humphrey expects total congressional cuts in the President's budget of approximately \$5 billion.

"Administration spokesmen are quick to contend that Congressional action on bills other than appropriations have increased spending this year," Humphrey said.

"But what the Administration doesn't say in that connection is that the President, himself, has requested or approved the additional spending for which he is quick to blame Congress.

"Congress is not the big spender. We are not wastrels. Richard Nixon is the big spender and Richard Nixon's budgets have reflected this year in and year out."

Humphrey charged the President with "political blackmail" in threatening the nation's voters with a tax increase -- if Congress does not accede to his request for a spending ceiling.

"The President and his economic experts know that economists of both Democratic and Republican persuasion have predicted that a tax increase of still-to-be determined proportions will be needed sometime before 1976.

"An economy in recession has made that tax increase inevitable."

Humphrey also maintained that the Nixon Administration "has postponed facing this inevitability through massive borrowing."

"The last four years have seen an accumulation of nearly \$90 billion in budget deficits," he said. "One quarter of the present Federal debt has been added during the Nixon Administration."

"If we had a booming economy, with more people working and fewer people receiving unemployment compensation and welfare checks -- and if we had a fair tax system -- the Nixon Administration would not be forced to incur the huge deficits needed to make up for lost revenues."

Humphrey concluded his statement with a plea to other members of the Senate to join him in preventing the "encroachment of Executive Power on the people's representatives."

"We must not forsake our responsibility to retain the authority granted us by the Constitution.

"No President has a need so great, no series of events has such an urgency and no political pressure should ever cause us to abandon our responsibility for the people to resist this undue accumulation of power by any one man."

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STATEMENT BY SENATOR HUBERT H. HUMPHREY
ON THE SPENDING CEILING
U.S. SENATE -- OCTOBER 13, 1972

Mr. President, we are faced with a momentous decision -- a decision of historic proportions. The Senate of the United States must decide whether it is willing to acquiesce to a presidential request and diminish its own power and responsibilities or whether it will stand its ground and say "No" to a President.

At stake is nothing less than the separation of powers doctrine, the removal of viable checks and balances between the Executive and Legislative Branch and the role of Congress as an equal partner in governing this land.

It is an indisputable fact today that there has been an accretion of power in the hands of the Executive Branch. All of us have witnessed this. Indeed, many of us have participated in actions that have unfortunately diminished our own authority.

When a President takes powers previously unknown to him -- as this President is trying to do now -- he must take those powers from somewhere. And that somewhere is the Congress of the United States.

Someone once suggested that the balance of power between Presidents and Congresses is like a swinging pendulum -- that we need not worry when it moves nearer to the Executive because someday it will retrace its route in favor of Congress. The problem with this analogy is that the balance of power is set forth in the Constitution. That great document permits some power shifting back and forth, but it sets outer limits to control the distance that the pendulum may move. And it is these outer limits that the proposed spending ceiling would ignore.

The genius of our system of government is undone when power is shifted beyond the tolerance allowed by the Constitution. James Madison in the Federalist, No. 47 wrote: "The accumulation of all powers, legislative, executive, and judicial in the same hands, whether of one, a few, or many, whether hereditary, self-appointed, or elective may justly be pronounced the very definition of tyranny."

These words written almost two hundred years ago take on prophetic meaning when we stop to consider that the President of the United States asks the Congress to allow him complete authority to do what he so wants in the setting of priorities and the actual expenditure of funds. Implied in this unprecedented grant of authority is nothing less than an unconstitutional item veto over Congressional appropriations.

I use the term unconstitutional because the Constitution of the United States in Article I, Section 7, clause two indicates that there is a duty upon the part of Congress to reconsider any bill returned by the President along with the precise objections voiced by the Executive. The final decision making power over vetoes rests with the Congress -- not with the President.

The language of this article indicates that Congress has no power to make the President's judgment on a bill the last word. The only exception to this principle is the pocket veto and the Constitution itself makes this exception.

Yet, what President Nixon wants us to do is to make his word the last word. And when a President can veto part of a bill he emerges from the political mainstream and seeks a power given to no one person in our government. He seeks to avoid political give and take and invokes some superior authority. Such authority is clearly not within the spirit of democracy and public accountability.

An item veto gives the Executive Branch an immense political club to use for virtually any purpose so desired. The Executive can avoid the pressures of publicly having to announce whether or not he is going to take certain actions. The Executive can say to the beneficiaries of any federal expenditures -- such as our states and local governments -- that they had better cooperate and do what the federal government wants them to do or there may have to be cutbacks in some of their grants. It is a negative power. It is a disruptive power. And as Daniel Webster said: "The separation of the departments (of government) so far as practicable, and the preservation of clear lines between them is the fundamental idea in the creation of all of our constitutions, and doubtless the continuance of regulated liberty depends on maintaining these boundaries."

I say to you today that Richard Nixon's spending ceiling is one of the most blatant frontal assaults on Congressional authority I have witnessed since coming to the Senate in 1948.

The spending ceiling legislation is nothing more than a domestic Gulf of Tonkin resolution. It is a cynical election year ploy, a perversion of prudent fiscal management, a cover-up of the President's failure to halt inflation, a protective shield for an oversized military budget, a way to erase the social progress of the 1960's, and as I pointed out previously, an outright theft of Congressional authority.

I call the President's request a "domestic Gulf of Tonkin Resolution" because it grants to him similar unlimited power over domestic spending that he has been able to achieve over the control and direction of foreign policy.

In 1967, my distinguished colleague from Arkansas, Senator Fulbright, said: "The Executive has acquired virtual supremacy over the making as well as the conduct of the foreign relations of the United States." Next year, I do not want any member of Congress to stand on the floor of either body and state the President now has virtual supremacy over the making of domestic policy.

President Nixon has made a public plea that Congress provide him with the authority to hold spending to \$250 billion. He has accused Congress of being spendthrift. Implied in his request is the assumption that Congress is totally unable to police itself, to be frugal and to control spending prudently.

The President's assumptions deny twenty-five years of hard, cold, fiscal facts. Furthermore, it is a deliberate public deception designed to gather votes and mask his own budget ineptness.

For the last 25 years the Congress has cut the President's budget -- no amount of budget gimmickry can dispute that fact. For example, in FY 1970, the Congress cut \$8.2 billion from the President's budget. In FY 1971, it cut \$3 billion. In FY 1972, the Congress cut \$2.7 billion. And this year expected total cuts in the President's budget are estimated to be approximately \$5 billion.

Administration spokesmen are quick to point out their contention that Congressional action on bills other than appropriations have actually increased spending this year.

But what the Administration doesn't say in that connection is that they, themselves, have requested or approved the additional spending for which they are so quick to blame Congress.

The President has requested over and above his original budget the following items:

- \$4.4 billion for military activities
- \$2.8 billion for the bombing of North Vietnam
- \$3.3 billion for general revenue sharing
- And \$2 billion for disaster relief necessitated by hurricane Agnes.

He accuses the Congress of passing an exorbitant social security bill. But he conveniently forgets to tell the American public that the social security bill also raised the taxes to pay for it.

I do not deny that Congress took needed action to increase black lung benefits, railroad retirement benefits, water quality control programs, veterans benefits and increases in the school lunch program. These increases totalled only \$3.1 billion over the President's budget requests. This is still less than the additional funds needed to continue the war in Vietnam another year.

But just as Congress has increased the President's budget because of its deficiencies in programs desperately needed to improve the quality of life, so have we cut the presidential budget.

-- This year we are likely to have defense cuts totalling \$5 billion.

-- Cuts in military construction items will total about \$250 million.

-- Cuts in the postal service, treasury and general government will total \$8.7 million. And there are others.

Mr. President, I ask unanimous consent that a table detailing Congressional cuts in Presidential budgets since 1946 be inserted at this point in the Record.

Congress is not the big spender. We are not wastrels. Richard Nixon is the big spender and Richard Nixon's budgets have reflected this year in and year out.

The President contends that without a spending ceiling, there will be a tax increase.

This is political blackmail.

This is an election year ploy.

This is a coverup for his own inability to manage the economy.

This is an outright falsehood.

And this is a cynical way to blame Congress for something the President does not have the courage to do himself.

The President and his economic experts know that economists of both Democratic and Republican persuasion have predicted that a tax increase of still-to-be-determined proportions will be needed sometime before 1976.

An economy in recession has made that tax increase inevitable.

The Nixon Administration has postponed facing this inevitability through massive borrowing. The last four years have seen an accumulation of nearly \$90 billion in budget deficits. One quarter of the present federal debt has been added during the Nixon Administration.

These huge budget deficits were further compounded by big tax cuts in 1969 and 1971 accounting for at least \$15 billion in lost tax revenue this year alone.

At the same time, a recession economy has forced the Administration to add \$3 billion more for welfare and \$2.1 billion per year to pay for unemployment compensation.

If we had a booming economy, with more people working and fewer people receiving unemployment compensation and welfare checks and if we had a fair tax system, the Nixon Administration would not be forced to incur the huge deficits needed to make up for lost revenues.

Finally, what is the logic of the President's tax increase threat?

Without a spending ceiling, federal outlays this year will reach a unified budget deficit of \$31.8 billion. With the President's proposed ceiling, once appropriations are complete, the deficit is likely to be about \$25 or \$26 billion.

It is difficult for me to believe that the President can say that we will have to ask for a tax increase with a deficit at \$31 billion, but not at \$26 billion.

Not only has President Nixon threatened us with a tax increase if we do not pass his spending ceiling, but he also is ready to blame the Congress for continuing inflation if we say, "No."

All of us realize that a spending ceiling is a poor tool with which to control inflation.

There are more effective ways, I believe, to control inflation. We should have begun inflation control four years ago -- instead of on August 15, 1971 -- with wage and price guidelines that had bite. Since we did not, inflation control can best be achieved now through a truly effective wage-price mechanism covering those large firms that have a significant impact on the economy. A spending ceiling is only a ruse and cannot substitute for the needed mechanisms to halt inflation.

If the Nixon Administration were serious about controlling inflation, it would move forcefully in such areas as ending wasteful procurement practices, improving inadequate anti-trust enforcement and revising weak regulatory practices.

As people concerned with the well-being of the American public, all of us must ask what programs would feel the Presidential knife if we enacted his spending ceiling.

We must first recognize that there are programs that he cannot cut, and are not likely to be cut:

- social security benefits
- interest on the public debt (A debt 25% of which Nixon is responsible for)
- retirement trust funds for federal employees and railroad employees
- Medicare and Medicaid

A second category of federal expenditures are not subject to rigid spending controls because the total amount of outlays are not known until the end of the fiscal year. Included in this group are: various veterans benefits such as pensions, GI Bill, and hospitalization; military retirement pensions; public assistance grants; farm price supports; and the postal service deficit.

What remains for the Presidential scalpel are relatively controllable outlays including portions of both the defense and non-defense budgets.

The Joint Committee on the Reduction of Federal Expenditures estimates that it will take \$6.9 billion of cuts to reach the \$250 billion spending ceiling. Richard Nixon's past actions indicate he will not cut the military budget one nickel. So that leaves us people programs such as:

- In the Office of Child Development, the Head Start Program
- Programs for the aging
- Vocational rehabilitation
- Education follow-through programs
- Family planning, maternal and child health
- Mental retardation
- Library resources and higher education
- Water and sewer grants for both urban and rural areas
- Manpower training, emergency employment, and reconversion activities
- Older Americans employment
- Model Cities grants
- Drug Abuse and Law Enforcement programs
- Environmental protection funds
- Relocation, rehabilitation and renewal assistance for housing
- Public health training
- Emergency medical services
- Black lung benefits

This is just a partial list of programs deemed expendable by the President.

And in one area the President is about to begin a federal funny money game. With his spending ceiling, Nixon would also have to cut into federal grants in aid to state and local government. Since he has strongly backed revenue sharing to the same institutions, he would be forced to give money with his right hand and take it back with his left.

There is more to Richard Nixon's pious pleas for fiscal responsibility than simply requesting a spending ceiling. The fact is that the spending ceiling -- as his Deputy Treasury Secretary Charles Walker told a closed door meeting of the American Banking Association -- provides the President with a retroactive item veto. Using this, Mr. Walker indicated, the Administration would be able to eradicate on a pick and choose basis the social programs of the 1960's.

We know that no one in the Nixon administration will publicly try to destroy these programs. But they are extremely willing to do so through the back door with the spending ceiling's retroactive item veto.

Mr. President, I will fight the President of the United States in his attempt to gut programs such as the Neighborhood Youth Corps, Model Cities, Headstart, Food Stamps, school lunch, child nutrition, older American employment and the many other humane and desperately needed programs we launched under the leadership of John Kennedy and Lyndon Johnson.

Mr. President, as I stand in the Senate I speak to a body conceived by such men as Jefferson, Madison, Adams and Hamilton. And in their tradition, great Senators like Webster, Clay, Calhoun, Douglas and LaFollette have given nourishment to this institution, and they have protected it from encroachment by over zealous Chief Executives. These greats of the Senate realized full well the principle of restrained and separated powers as expressed by Joseph Story in his Commentaries on the Constitution of the United States. Story said:

"Power, however, is of an encroaching nature, and it ought to be effectively restrained from passing the limits assigned to it. Having separated the three great departments by a broad line from each other, the difficult task remains to provide some practical means for the security of each against the meditated or occasional invasions of the others."

This is our task today.

In the name of those men who have gone before us, in the name of those men who stood in this chamber and steadfastly refused the encroachment of Executive Power on the people's representatives, we must not forsake our responsibility to retain the authority granted us by the Constitution.

If we relinquish these rights for one moment, we do so at the peril of this great institution.

No President has a need so great, no series of events has such an urgency, and no political pressure should ever cause us to abandon our responsibility to the people to resist the undue accumulation of power by any one man.

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Oct 13, 1972

Senate
speech

The issue is not merely one of a Budget or spending ceiling - The Congress can and may well decide to establish such a ceiling. The issue is whether the Congress will give up to the President the power to increase military outlays.

MR. HUMPHREY. MR. PRESIDENT, WE ARE FACED WITH A MOMENTOUS DECISION -- A DECISION OF HISTORIC PROPORTIONS. THE SENATE OF THE UNITED STATES MUST DECIDE WHETHER IT IS WILLING TO ACQUIESCE TO A PRESIDENTIAL REQUEST AND DIMINISH ITS OWN POWER AND RESPONSIBILITIES, OR WHETHER IT WILL STAND ITS GROUND AND SAY "No" TO A PRESIDENT.

AT STAKE IS NOTHING LESS THAN THE SEPARATION OF POWERS DOCTRINE, THE REMOVAL OF VIABLE CHECKS AND BALANCES BETWEEN THE EXECUTIVE AND LEGISLATIVE BRANCH AND THE ROLE OF CONGRESS AS AN EQUAL PARTNER IN GOVERNING THIS LAND.

IT IS AN INDISPUTABLE FACT TODAY THAT THERE HAS BEEN AN ACCRETION OF POWER IN THE HANDS OF THE EXECUTIVE BRANCH. ALL OF US HAVE WITNESSED THIS. INDEED, MANY OF US HAVE PARTICIPATED IN ACTIONS THAT HAVE UNFORTUNATELY DIMINISHED OUR OWN AUTHORITY.

WHEN A PRESIDENT TAKES POWERS PREVIOUSLY UNKNOWN TO HIM -- AS THIS PRESIDENT IS TRYING TO DO NOW -- HE MUST TAKE THOSE POWERS FROM SOMEWHERE. AND THAT SOMEWHERE IS THE CONGRESS OF THE UNITED STATES.

SOMEONE ONCE SUGGESTED THAT THE BALANCE OF POWER BETWEEN PRESIDENTS AND CONGRESSES IS LIKE A SWINGING PENDULUM -- THAT WE NEED NOT WORRY WHEN IT MOVES NEARER TO THE EXECUTIVE

BECAUSE SOMEDAY IT WILL RETRACE ITS ROUTE IN FAVOR OF CONGRESS. THE PROBLEM WITH THIS ANALOGY IS THAT THE BALANCE OF POWER IS SET FORTH IN THE CONSTITUTION. THAT GREAT DOCUMENT PERMITS SOME POWER SHIFTING BACK AND FORTH, BUT IT SETS OUTER LIMITS TO CONTROL THE DISTANCE THAT THE PENDULUM MAY MOVE. AND IT IS THESE OUTER LIMITS THAT THE PROPOSED SPENDING CEILING WOULD IGNORE.

THE GENIUS OF OUR SYSTEM OF GOVERNMENT IS UNDONE WHEN POWER IS SHIFTED BEYOND THE TOLERANCE ALLOWED BY THE CONSTITUTION. JAMES MADISON IN THE FEDERALIST, NO. 47 WROTE: "THE ACCUMULATION OF ALL POWERS, LEGISLATIVE, EXECUTIVE, AND JUDICIAL IN THE SAME HANDS, WHETHER OF ONE, A FEW, OR MANY, WHETHER HEREDITARY, SELF-APPOINTED, OR ELECTIVE MAY JUSTLY BE PRONOUNCED THE VERY DEFINITION OF TYRANNY."

THESE WORDS WRITTEN ALMOST TWO HUNDRED YEARS AGO TAKE ON PROPHETIC MEANING WHEN WE STOP TO CONSIDER THAT THE PRESIDENT OF THE UNITED STATES ASKS THE CONGRESS TO ALLOW HIM COMPLETE AUTHORITY TO DO WHAT HE SO WANTS IN THE SETTING OF PRIORITIES AND THE ACTUAL EXPENDITURE OF FUNDS. IMPLIED IN THIS UNPRECEDENTED GRANT OF AUTHORITY IS NOTHING LESS THAN AN UNCONSTITUTIONAL ITEM VETO OVER CONGRESSIONAL APPROPRIATIONS.

I USE THE TERM UNCONSTITUTIONAL BECAUSE THE CONSTITUTION OF THE UNITED STATES IN ARTICLE I, SECTION 7, CLAUSE TWO INDICATES THAT THERE IS A DUTY UPON THE PART OF CONGRESS TO RECONSIDER ANY BILL RETURNED BY THE PRESIDENT ALONG WITH THE PRECISE OBJECTIONS VOICED BY THE EXECUTIVE. THE FINAL DECISION MAKING POWER OVER VETOES RESTS WITH THE CONGRESS -- NOT WITH THE PRESIDENT.

THE LANGUAGE OF THIS ARTICLE INDICATES THAT CONGRESS HAS NO POWER TO MAKE THE PRESIDENT'S JUDGMENT ON A BILL THE LAST WORD. THE ONLY EXCEPTION TO THIS PRINCIPLE IS THE POCKET VETO AND THE CONSTITUTION ITSELF MAKES THIS EXCEPTION.

YET, WHAT PRESIDENT NIXON WANTS US TO DO IS TO MAKE HIS WORD THE LAST WORD. AND WHEN A PRESIDENT CAN VETO PART OF A BILL HE EMERGES FROM THE POLITICAL MAINSTREAM AND SEEKS A POWER GIVEN TO NO ONE PERSON IN OUR GOVERNMENT. HE SEEKS TO AVOID POLITICAL GIVE AND TAKE AND INVOKES SOME SUPERIOR AUTHORITY. SUCH AUTHORITY IS CLEARLY NOT WITHIN THE SPIRIT OF DEMOCRACY AND PUBLIC ACCOUNTABILITY.

AN ITEM VETO GIVES THE EXECUTIVE BRANCH AN IMMENSE POLITICAL CLUB TO USE FOR VIRTUALLY ANY PURPOSE SO DESIRED. THE EXECUTIVE CAN AVOID THE PRESSURES OF PUBLICLY HAVING TO ANNOUNCE WHETHER OR NOT HE IS GOING TO TAKE CERTAIN ACTIONS.

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THE EXECUTIVE CAN SAY TO THE BENEFICIARIES OF ANY FEDERAL EXPENDITURES -- SUCH AS OUR STATES AND LOCAL GOVERNMENTS -- THAT THEY HAD BETTER COOPERATE AND DO WHAT THE FEDERAL GOVERNMENT WANTS THEM TO DO OR THERE MAY HAVE TO BE CUTBACKS IN SOME OF THEIR GRANTS. IT IS A NEGATIVE POWER. IT IS A DISRUPTIVE POWER. AND AS DANIEL WEBSTER SAID: "THE SEPARATION OF THE DEPARTMENTS (OF GOVERNMENT) SO FAR AS PRACTICABLE, AND THE PRESERVATION OF CLEAR LINES BETWEEN THEM IS THE FUNDAMENTAL IDEA IN THE CREATION OF ALL OF OUR CONSTITUTIONS, AND DOUBTLESS THE CONTINUANCE OF REGULATED LIBERTY DEPENDS ON MAINTAINING THESE BOUNDARIES."

I SAY TO YOU TODAY THAT RICHARD NIXON'S SPENDING CEILING IS ONE OF THE MOST BLATANT FRONTAL ASSAULTS ON CONGRESSIONAL AUTHORITY I HAVE WITNESSED SINCE COMING TO THE SENATE IN 1948.

THE SPENDING CEILING LEGISLATION IS NOTHING MORE THAN A DOMESTIC GULF OF TONKIN RESOLUTION. IT IS A CYNICAL ELECTION YEAR PLOY, A PERVERSION OF PRUDENT FISCAL MANAGEMENT, A COVER-UP OF THE PRESIDENT'S FAILURE TO HALT INFLATION, A PROTECTIVE SHIELD FOR AN OVERSIZED MILITARY BUDGET, A WAY TO ERASE THE SOCIAL PROGRESS OF THE 1960'S, AND AS I POINTED OUT PREVIOUSLY, AN OUTRIGHT THEFT OF CONGRESSIONAL AUTHORITY.

I CALL THE PRESIDENT'S REQUEST A "DOMESTIC GULF OF TONKIN RESOLUTION" BECAUSE IT GRANTS TO HIM SIMILAR UNLIMITED POWER

OVER DOMESTIC SPENDING THAT HE HAS BEEN ABLE TO ACHIEVE OVER THE CONTROL AND DIRECTION OF FOREIGN POLICY.

IN 1967, MY DISTINGUISHED COLLEAGUE FROM ARKANSAS, SENATOR FULBRIGHT, SAID: "THE EXECUTIVE HAS ACQUIRED VIRTUAL SUPREMACY OVER THE MAKING AS WELL AS THE CONDUCT OF THE FOREIGN RELATIONS OF THE UNITED STATES." NEXT YEAR, I DO NOT WANT ANY MEMBER OF CONGRESS TO STAND ON THE FLOOR OF EITHER BODY AND STATE THE PRESIDENT NOW HAS VIRTUAL SUPREMACY OVER THE MAKING OF DOMESTIC POLICY.

PRESIDENT NIXON HAS MADE A PUBLIC PLEA THAT CONGRESS PROVIDE HIM WITH THE AUTHORITY TO HOLD SPENDING TO \$250 BILLION. HE HAS ACCUSED CONGRESS OF BEING SPENDTHRIFT. IMPLIED IN HIS REQUEST IS THE ASSUMPTION THAT CONGRESS IS TOTALLY UNABLE TO POLICE ITSELF, TO BE FRUGAL AND TO CONTROL SPENDING PRUDENTLY.

THE PRESIDENT'S ASSUMPTIONS DENY TWENTY-FIVE YEARS OF HARD, COLD, FISCAL FACTS. FURTHERMORE, IT IS A DELIBERATE PUBLIC DECEPTION DESIGNED TO GATHER VOTES AND MASK HIS OWN BUDGET INEPTNESS.

FOR THE LAST 25 YEARS THE CONGRESS HAS CUT THE PRESIDENT'S BUDGET -- NO AMOUNT OF BUDGET GIMMICKRY CAN DISPUTE THAT FACT. FOR EXAMPLE, IN FY 1970, THE CONGRESS CUT \$8.2 BILLION FROM THE PRESIDENT'S BUDGET. IN FY 1971, IT CUT \$3 BILLION.

IN FY 1972, THE CONGRESS CUT \$2.7 BILLION. AND THIS YEAR EXPECTED TOTAL CUTS IN THE PRESIDENT'S BUDGET ARE ESTIMATED TO BE APPROXIMATELY \$5 BILLION.

ADMINISTRATION SPOKESMEN ARE QUICK TO POINT OUT THEIR CONTENTION THAT CONGRESSIONAL ACTION ON BILLS OTHER THAN APPROPRIATIONS HAVE ACTUALLY INCREASED SPENDING THIS YEAR.

BUT WHAT THE ADMINISTRATION DOESN'T SAY IN THAT CONNECTION IS THAT THEY, THEMSELVES, HAVE REQUESTED OR APPROVED THE ADDITIONAL SPENDING FOR WHICH THEY ARE SO QUICK TO BLAME CONGRESS.

THE PRESIDENT HAS REQUESTED OVER AND ABOVE HIS ORIGINAL BUDGET THE FOLLOWING ITEMS:

- \$4.4 BILLION FOR MILITARY ACTIVITIES
- \$2.8 BILLION FOR THE BOMBING OF NORTH VIETNAM
- \$3.3 BILLION FOR GENERAL REVENUE SHARING
- AND \$2 BILLION FOR DISASTER RELIEF NECESSITATED BY HURRICANE AGNES.

HE ACCUSES THE CONGRESS OF PASSING AN EXORBITANT SOCIAL SECURITY BILL. BUT HE CONVENIENTLY FORGETS TO TELL THE AMERICAN PUBLIC THAT THE SOCIAL SECURITY BILL ALSO RAISED THE TAXES TO PAY FOR IT.

I DO NOT DENY THAT CONGRESS TOOK NEEDED ACTION TO INCREASE BLACK LUNG BENEFITS, RAILROAD RETIREMENT BENEFITS, WATER QUALITY CONTROL PROGRAMS, VETERANS BENEFITS AND INCREASES

IN THE SCHOOL LUNCH PROGRAM. THESE INCREASES TOTALLED ONLY \$3.1 BILLION OVER THE PRESIDENT'S BUDGET REQUESTS. THIS IS STILL LESS THAN THE ADDITIONAL FUNDS NEEDED TO CONTINUE THE WAR IN VIETNAM ANOTHER YEAR.

BUT JUST AS CONGRESS HAS INCREASED THE PRESIDENT'S BUDGET BECAUSE OF ITS DEFICIENCIES IN PROGRAMS DESPERATELY NEEDED TO IMPROVE THE QUALITY OF LIFE, SO HAVE WE CUT THE PRESIDENTIAL BUDGET.

-- THIS YEAR WE ARE LIKELY TO HAVE DEFENSE CUTS TOTALLING \$5 BILLION.

-- CUTS IN MILITARY CONSTRUCTION ITEMS WILL TOTAL ABOUT \$250 MILLION.

-- CUTS IN THE POSTAL SERVICE, TREASURY AND GENERAL GOVERNMENT WILL TOTAL \$8.7 MILLION. AND THERE ARE OTHERS.

MR. PRESIDENT, I ASK UNANIMOUS CONSENT THAT A TABLE DETAILING CONGRESSIONAL CUTS IN PRESIDENTIAL BUDGETS SINCE 1946 BE INSERTED AT THIS POINT IN THE RECORD.

CONGRESS IS NOT THE BIG SPENDER. WE ARE NOT WASTRELS. RICHARD NIXON IS THE BIG SPENDER AND RICHARD NIXON'S BUDGETS HAVE REFLECTED THIS YEAR IN AND YEAR OUT.

THE PRESIDENT CONTENDS THAT WITHOUT A SPENDING CEILING, THERE WILL BE A TAX INCREASE.

THIS IS POLITICAL BLACKMAIL.

IX. COMPARISON OF BUDGET ESTIMATES AND APPROPRIATIONS BY SESSIONS OF CONGRESS

[NOTE.—Concept of "budget estimates" and "appropriations" as used in this tabulation, beginning with the 90th Cong., 2d sess., differs to some limited general extent from previous tabulations, and significantly differs in respect to inclusion of trust fund appropriation amounts not included in this tabulation prior to the 90th Cong., 2d sess. (See explanation, par. 5 "Comptrollers' Notes", p. 3.) Also, beginning with the 85th Cong., 2d sess. (fiscal year 1959), figures exclude amounts relating to refunding Internal Revenue collections and sinking fund and other debt retirement funds.)]

Congress and session	Budget estimates	Appropriations	Increase (+) or decrease (—), appropriations compared with estimates
79th Cong., 1st sess., fiscal year 1946 and prior fiscal years	\$68,941,364,648	\$67,545,660,880	—\$1,395,703,768
79th Cong., 2d sess., fiscal year 1947 and prior fiscal years	35,153,239,093	33,571,494,011	—1,581,745,082
80th Cong., 1st sess., fiscal year 1948 and prior fiscal years	38,725,853,852	34,159,097,708	—2,566,755,944
80th Cong., 2d sess., fiscal year 1949 and prior fiscal years	41,053,346,713	38,282,717,957	—2,770,628,756
81st Cong., 1st sess., fiscal year 1950 and prior fiscal years	45,524,384,067	43,708,265,798	—1,816,118,269
81st Cong., 2d sess., fiscal year 1951 and prior fiscal years	80,172,585,565	78,200,190,841	—1,972,394,724
82d Cong., 1st sess., fiscal year 1952 and prior fiscal years	102,449,917,037	97,720,806,397	—4,729,110,640
82d Cong., 2d sess., fiscal year 1953 and prior fiscal years	91,205,894,252	82,596,777,411	—8,609,116,841
83d Cong., 1st sess., fiscal year 1954 and prior fiscal years	73,978,821,699	61,942,992,897	—12,035,828,802
83d Cong., 2d sess., fiscal year 1955 and prior fiscal years	57,422,327,386	54,812,457,263	—2,609,870,123
84th Cong., 1st sess., fiscal year 1956 and prior fiscal years	62,030,092,195	59,954,284,321	—2,075,807,874
84th Cong., 2d sess., fiscal year 1957 and prior fiscal years	68,587,724,820	68,330,229,608	—257,495,212
85th Cong., 1st sess., fiscal year 1958 and prior fiscal years	73,113,555,340	68,070,096,556	—5,043,458,784
85th Cong., 2d sess., fiscal year 1959 and prior fiscal years	81,737,060,999	81,119,818,276	—617,242,723
86th Cong., 1st sess., fiscal year 1960 and prior fiscal years	83,452,687,259	81,572,357,732	—1,880,329,527
86th Cong., 2d sess., fiscal year 1961 and prior fiscal years	84,010,398,836	83,799,241,957	—211,156,879
87th Cong., 1st sess., fiscal year 1962 and prior fiscal years	101,185,574,673	96,194,946,610	—4,990,628,063
87th Cong., 2d sess., fiscal year 1963 and prior fiscal years	107,203,876,735	102,661,536,812	—4,542,339,923
88th Cong., 1st sess., fiscal year 1964 and prior fiscal years	110,270,774,856	103,798,634,671	—6,472,140,185
88th Cong., 2d sess., fiscal year 1965 and prior fiscal years	110,204,088,176	106,070,110,056	—4,133,978,120
89th Cong., 1st sess., fiscal year 1966 and prior fiscal years	121,719,754,896	119,310,113,527	—2,409,641,369
89th Cong., 2d sess., fiscal year 1967 and prior fiscal years	144,812,819,086	143,883,626,282	—929,182,804
90th Cong., 1st sess., fiscal year 1968 and prior fiscal years	162,988,905,929	156,917,115,912	—6,071,790,017
90th Cong., 2d sess., fiscal year 1969 and prior fiscal years	209,439,260,996	196,537,244,324	—12,902,016,672
Consisting of:			
Regular annual and supplemental appropriation acts	(147,908,612,996)	(133,359,868,734)	(—14,548,744,262)
Appropriations in legislative acts	(1,332,500,000)	(2,989,227,590)	(+1,656,727,590)
Permanent appropriations, Federal and trust funds	(72,988,148,000)	(72,988,148,000)	—
Adjustments for interfund and intergovernmental transactions	(—12,800,000,000)	(—12,800,000,000)	—
91st Cong., 1st sess., fiscal year 1970 and prior fiscal years	210,843,237,215	207,248,481,494	—3,594,755,721
Consisting of:			
Regular annual and supplemental appropriation acts	(142,701,348,215)	(134,451,463,135)	(—8,249,885,080)
Appropriations in legislative acts	(5,000,000)	(4,680,127,359)	(+4,675,127,359)
Permanent appropriations, Federal and trust funds	(82,052,416,000)	(82,052,416,000)	—
Adjustments for interfund and intergovernmental transactions	(—13,915,625,000)	(—13,915,625,000)	—
91st Cong., 2d sess., fiscal year 1971 and prior fiscal years	217,605,978,434	232,139,894,882	+14,533,916,448
Consisting of:			
Regular annual and supplemental appropriation acts	(147,778,905,434)	(144,273,628,504)	(—3,505,276,930)
Appropriations in legislative acts	—	(18,059,291,378)	(+18,059,291,378)
Permanent appropriations, Federal and trust funds	(88,059,812,000)	(88,059,812,000)	—
Adjustments for interfund and intergovernmental transactions	(—18,222,767,000)	(—18,222,767,000)	—

See footnotes at end of table, p. 1028.

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THIS IS AN ELECTION YEAR PLOY.

THIS IS A COVERUP FOR HIS OWN INABILITY TO MANAGE THE ECONOMY.

~~THIS IS AN OUTRIGHT FALSEHOOD.~~

AND THIS IS A CYNICAL WAY TO BLAME CONGRESS FOR SOMETHING THE PRESIDENT DOES NOT HAVE THE COURAGE TO DO HIMSELF.

THE PRESIDENT AND HIS ECONOMIC EXPERTS KNOW THAT ECONOMISTS OF BOTH DEMOCRATIC AND REPUBLICAN PERSUASION HAVE PREDICTED THAT A TAX INCREASE OF STILL-TO-BE-DETERMINED PROPORTIONS WILL BE NEEDED SOMETIME BEFORE 1976.

AN ECONOMY IN RECESSION HAS MADE THAT TAX INCREASE ~~INEVITABLE~~ *very likely.*

THE NIXON ADMINISTRATION HAS POSTPONED FACING THIS INEVITABILITY THROUGH MASSIVE BORROWING. THE LAST FOUR YEARS HAVE SEEN AN ACCUMULATION OF NEARLY \$90 BILLION IN BUDGET DEFICITS. ONE QUARTER OF THE PRESENT FEDERAL DEBT HAS BEEN ADDED DURING THE NIXON ADMINISTRATION.

THESE HUGE BUDGET DEFICITS WERE FURTHER COMPOUNDED BY BIG TAX CUTS IN 1969 AND 1971 ACCOUNTING FOR AT LEAST \$15 BILLION IN LOST TAX REVENUE THIS YEAR ALONE.

AT THE SAME TIME, A RECESSION ECONOMY HAS FORCED THE ADMINISTRATION TO ADD \$3 BILLION MORE FOR WELFARE AND \$2.1 BILLION PER YEAR TO PAY FOR UNEMPLOYMENT COMPENSATION.

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IF WE HAD A BOOMING ECONOMY, WITH MORE PEOPLE WORKING AND FEWER PEOPLE RECEIVING UNEMPLOYMENT COMPENSATION AND WELFARE CHECKS AND IF WE HAD A FAIR TAX SYSTEM, THE NIXON ADMINISTRATION WOULD NOT BE FORCED TO INCUR THE HUGE DEFICITS NEEDED TO MAKE UP FOR LOST REVENUES.

FINALLY, WHAT IS THE LOGIC OF THE PRESIDENT'S TAX INCREASE THREAT?

WITHOUT A SPENDING CEILING, FEDERAL OUTLAYS THIS YEAR WILL REACH A UNIFIED BUDGET DEFICIT OF \$31.8 BILLION. WITH THE PRESIDENT'S PROPOSED CEILING, ONCE APPROPRIATIONS ARE COMPLETE, THE DEFICIT IS LIKELY TO BE ABOUT \$25 OR \$26 BILLION.

IT IS DIFFICULT FOR ME TO BELIEVE THAT THE PRESIDENT CAN SAY THAT WE WILL HAVE TO ASK FOR A TAX INCREASE WITH A DEFICIT AT \$31 BILLION, BUT NOT AT \$26 BILLION.

NOT ONLY HAS PRESIDENT NIXON THREATENED US WITH A TAX INCREASE IF WE DO NOT PASS HIS SPENDING CEILING, BUT HE ALSO IS READY TO BLAME THE CONGRESS FOR CONTINUING INFLATION IF WE SAY, "No."

ALL OF US REALIZE THAT A SPENDING CEILING IS A POOR TOOL WITH WHICH TO CONTROL INFLATION.

THERE ARE MORE EFFECTIVE WAYS, I BELIEVE, TO CONTROL INFLATION. WE SHOULD HAVE BEGUN INFLATION CONTROL FOUR YEARS AGO -- INSTEAD OF ON AUGUST 15, 1971 -- WITH WAGE AND PRICE

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GUIDELINES THAT HAD BITE. SINCE WE DID NOT, INFLATION CONTROL CAN BEST BE ACHIEVED NOW THROUGH A TRULY EFFECTIVE WAGE-PRICE MECHANISM COVERING THOSE LARGE FIRMS THAT HAVE A SIGNIFICANT IMPACT ON THE ECONOMY. A SPENDING CEILING IS ONLY A RUSE AND CANNOT SUBSTITUTE FOR THE NEEDED MECHANISMS TO HALT INFLATION.

IF THE NIXON ADMINISTRATION WERE SERIOUS ABOUT CONTROLLING INFLATION, IT WOULD MOVE FORCEFULLY IN SUCH AREAS AS ENDING WASTEFUL PROCUREMENT PRACTICES, IMPROVING INADEQUATE ANTI-TRUST ENFORCEMENT AND REVISING WEAK REGULATORY PRACTICES.

AS PEOPLE CONCERNED WITH THE WELL-BEING OF THE AMERICAN PUBLIC, ALL OF US MUST ASK WHAT PROGRAMS WOULD FEEL THE PRESIDENTIAL KNIFE IF WE ENACTED HIS SPENDING CEILING.

WE MUST FIRST RECOGNIZE THAT THERE ARE PROGRAMS THAT HE CANNOT CUT, AND ARE NOT LIKELY TO BE CUT:

- SOCIAL SECURITY BENEFITS
- INTEREST ON THE PUBLIC DEBT (A DEBT 25% OF WHICH NIXON IS RESPONSIBLE FOR)
- RETIREMENT TRUST FUNDS FOR FEDERAL EMPLOYEES AND RAILROAD EMPLOYEES
- MEDICARE AND MEDICAID

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A SECOND CATEGORY OF FEDERAL EXPENDITURES ARE NOT SUBJECT TO RIGID SPENDING CONTROLS BECAUSE THE TOTAL AMOUNT OF OUTLAYS ARE NOT KNOWN UNTIL THE END OF THE FISCAL YEAR. INCLUDED IN THIS GROUP ARE: VARIOUS VETERANS BENEFITS SUCH AS PENSIONS, GI BILL, AND HOSPITALIZATION; MILITARY RETIREMENT PENSIONS; PUBLIC ASSISTANCE GRANTS; FARM PRICE SUPPORTS; AND THE POSTAL SERVICE DEFICIT.

WHAT REMAINS FOR THE PRESIDENTIAL SCALPEL ARE RELATIVELY CONTROLLABLE OUTLAYS INCLUDING PORTIONS OF BOTH THE DEFENSE AND NON-DEFENSE BUDGETS.

THE JOINT COMMITTEE ON THE REDUCTION OF FEDERAL EXPENDITURES ESTIMATES THAT IT WILL TAKE \$6.9 BILLION OF CUTS TO REACH THE \$250 BILLION SPENDING CEILING. RICHARD NIXON'S PAST ACTIONS INDICATE HE WILL NOT CUT THE MILITARY BUDGET ONE NICKEL. SO THAT LEAVES US PEOPLE PROGRAMS SUCH AS:

- IN THE OFFICE OF CHILD DEVELOPMENT, THE HEAD START PROGRAM
- PROGRAMS FOR THE AGING
- VOCATIONAL REHABILITATION
- EDUCATION FOLLOW-THROUGH PROGRAMS
- FAMILY PLANNING, MATERNAL AND CHILD HEALTH

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- MENTAL RETARDATION
- LIBRARY RESOURCES AND HIGHER EDUCATION
- WATER AND SEWER GRANTS FOR BOTH URBAN AND RURAL AREAS
- MANPOWER TRAINING, EMERGENCY EMPLOYMENT, AND RECONVERSION ACTIVITIES
- OLDER AMERICANS EMPLOYMENT
- MODEL CITIES GRANTS
- DRUG ABUSE AND LAW ENFORCEMENT PROGRAMS
- ENVIRONMENTAL PROTECTION FUNDS
- RELOCATION, REHABILITATION AND RENEWAL ASSISTANCE FOR HOUSING
- PUBLIC HEALTH TRAINING
- EMERGENCY MEDICAL SERVICES
- BLACK LUNG BENEFITS

THIS IS JUST A PARTIAL LIST OF PROGRAMS DEEMED EXPENDABLE BY THE PRESIDENT.

AND IN ONE AREA THE PRESIDENT IS ABOUT TO BEGIN A FEDERAL FUNNY MONEY GAME. WITH HIS SPENDING CEILING, ~~NEED~~ ^{he} WOULD ALSO HAVE TO CUT INTO FEDERAL GRANTS IN AID TO STATE AND LOCAL GOVERNMENT. SINCE HE HAS STRONGLY BACKED REVENUE SHARING TO THE SAME INSTITUTIONS, HE WOULD BE FORCED TO GIVE MONEY WITH HIS RIGHT HAND AND TAKE IT BACK WITH HIS LEFT.

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THERE IS MORE TO RICHARD NIXON'S PIOUS PLEAS FOR FISCAL RESPONSIBILITY THAN SIMPLY REQUESTING A SPENDING CEILING. THE FACT IS THAT THE SPENDING CEILING -- AS HIS DEPUTY TREASURY SECRETARY CHARLES WALKER TOLD A CLOSED DOOR MEETING OF THE AMERICAN BANKING ASSOCIATION -- PROVIDES THE PRESIDENT WITH A RETROACTIVE ITEM VETO. USING THIS, MR. WALKER INDICATED, THE ADMINISTRATION WOULD BE ABLE TO ERADICATE ON A PICK AND CHOOSE BASIS THE SOCIAL PROGRAMS OF THE 1960'S.

WE KNOW THAT NO ONE IN THE NIXON ADMINISTRATION WILL *openly or* PUBLICLY TRY TO DESTROY THESE PROGRAMS. BUT THEY ARE EXTREMELY WILLING TO DO SO THROUGH THE BACK DOOR WITH THE SPENDING CEILING'S RETROACTIVE ITEM VETO.

MR. PRESIDENT, I WILL ~~RESIST~~ *oppose* THE PRESIDENT OF THE UNITED STATES IN HIS ATTEMPT TO GUT PROGRAMS SUCH AS THE NEIGHBORHOOD YOUTH CORPS, MODEL CITIES, HEADSTART, FOOD STAMPS, SCHOOL LUNCH, CHILD NUTRITION, OLDER AMERICAN EMPLOYMENT AND THE MANY OTHER HUMANE AND DESPERATELY NEEDED PROGRAMS WE LAUNCHED UNDER THE LEADERSHIP OF JOHN KENNEDY AND LYNDON JOHNSON.

MR. PRESIDENT, AS I STAND IN THE SENATE I SPEAK TO A BODY CONCEIVED BY SUCH MEN AS JEFFERSON, MADISON, ADAMS AND HAMILTON. AND IN THEIR TRADITION, GREAT SENATORS LIKE WEBSTER, CLAY, CALHOUN, DOUGLAS, ~~AND~~ *Boak* LAFOLLETTE, *Taft & Russell* HAVE GIVEN NOURISHMENT TO THIS INSTITUTION, AND THEY HAVE PROTECTED IT FROM ENCROACHMENT BY

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OVER ZEALOUS CHIEF EXECUTIVES. THESE GREATS OF THE SENATE REALIZED FULL WELL THE PRINCIPLE OF RESTRAINED AND SEPARATED POWERS AS EXPRESSED BY JOSEPH STORY IN HIS COMMENTARIES ON THE CONSTITUTION OF THE UNITED STATES. STORY SAID:

POWER, HOWEVER, IS OF AN ENCROACHING NATURE, AND IT OUGHT TO BE EFFECTIVELY RESTRAINED FROM PASSING THE LIMITS ASSIGNED TO IT. HAVING SEPARATED THE THREE GREAT DEPARTMENTS BY A BROAD LINE FROM EACH OTHER, THE DIFFICULT TASK REMAINS TO PROVIDE SOME PRACTICAL MEANS FOR THE SECURITY OF EACH AGAINST THE MEDITATED OR OCCASIONAL INVASIONS OF THE OTHERS."

THIS IS OUR TASK TODAY.

IN THE NAME OF THOSE MEN WHO HAVE GONE BEFORE US, IN THE NAME OF THOSE MEN WHO STOOD IN THIS CHAMBER AND STEADFASTLY REFUSED THE ENCROACHMENT OF EXECUTIVE POWER ON THE PEOPLE'S REPRESENTATIVES, WE MUST NOT FORSAKE OUR RESPONSIBILITY TO RETAIN THE AUTHORITY GRANTED US BY THE CONSTITUTION.

IF WE RELINQUISH THESE RIGHTS FOR ONE MOMENT, WE DO SO AT THE PERIL OF THIS GREAT INSTITUTION.

NO PRESIDENT HAS A NEED SO GREAT, NO SERIES OF EVENTS HAS SUCH AN URGENCY, AND NO POLITICAL PRESSURE SHOULD EVER CAUSE US TO ABANDON OUR RESPONSIBILITY TO THE PEOPLE TO RESIST THE UNDUE ACCUMULATION OF POWER BY ANY ONE MAN.



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