

Some had the temerity to say that "Well, we don't have that many flag burnings and that many flag desecrations." Well, I submit we do, because every flag desecration that occurs—and we have had them every year—every one that occurs is covered by the press and goes out to millions of people in this country, every last one. And, frankly, it affects everybody in this country every time we see this kind of heinous conduct.

It is time for us to quit using these phony arguments and stand up and vote to honor our national symbol by merely giving Congress the power to honor it, if it so chooses, with the right of the President to veto whatever they do, if he or she so chooses.

Mr. President, I think we debated this enough today.

MORNING BUSINESS

Mr. HATCH. I now ask unanimous consent that there now be a period for the transaction of routine morning business with Senators permitted to speak for up to 10 minutes each.

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

THE ROLE OF GOVERNMENT

Mr. PELL. Mr. President, I once more express reservations about the premise upon which we are proceeding in attempting to balance the budget in 7 years. I am mindful that both my party and the President have agreed to undertake this herculean task of reaching an accord where the difference between what the President has proposed and what the congressional majority seeks is pegged at some \$730 billion in entitlement savings, discretionary spending levels, and tax cuts. While I fully support their determination to curb deficit spending, I remain skeptical of the specific objective they have set.

With due respect for the Democratic leadership, I must express my continuing discomfort with the view that it is imperative that the Federal budget be balanced by a date certain. I have always believed, and continue to believe, that the Federal budget is not supposed to be in perpetual balance, but that as John Maynard Keynes wisely noted, it should remain a flexible instrument of national economic policy, registering a surplus in good times and engaging in stimulative spending in bad times. To insist on a balanced budget means requiring tax rates to be increased during a recession and outlays for such programs as help for the unemployed to be decreased. This is not a palatable solution, and it is one with which most economists would find fault.

My views, I realize, are not widely held. Hence, I was most heartened to read the words of Robert Eisner, professor emeritus at Northwestern University and a past president of the American Economic Association in the *Wall Street Journal* of November 28. In

an article entitled "The Deficit Is Budget Battle's Red Herring," Professor Eisner states, and I most strongly concur, that balancing the budget is a "brief armistice in a much larger war." What we are really engaged in is a fundamental disagreement about the role of Government in our lives.

The real objective of the so-called revolution is the effective dismantlement of progressive government as we have come to know and benefit from for half a century. Federal spending on health care for the elderly, the poor, and the disabled is being drastically reduced. Cutbacks are contemplated in our investment in education, the environment, the arts and sciences, and foreign relations. These cuts typify the great differences in priorities and values which distinguish the opponents from the proponents of progressive government. And all of this occurs while we focus on that red herring, the balanced budget.

Professor Eisner accepts the premise that government should provide activities and services that the private economy would not provide or would not provide adequately. And he recognizes that many of us believe that the programs developed over the last 50 years are "indispensable both to stable economic growth and the social compact on which our economic system and our society depend."

Mr. President, I ask unanimous consent that the text of Professor Eisner's article be reprinted in the *RECORD*.

There being no objection, the article was ordered to be printed in the *RECORD*, as follows:

THE DEFICIT IS BUDGET BATTLE'S RED HERRING

(By Robert Eisner)

The agreement reached between President Clinton and congressional Republicans to try to "balance the budget" by uncertain measures in seven years is a brief armistice in a much larger war. The war has very little to do with budget deficits. What really concerns combatants on all sides—and should concern the American people—is the role of government in our economy and in our lives.

The "balanced budget" slogan is thought to ring very well with voters, so well that virtually all politicians find it obligatory to say that they, too, are committed to it. In fact, it is not clear that the ring is very loud; it is quickly drowned out by the suggestions that achieving balance might entail cutting health care and education or, generally, eliminating programs from which our citizenry think they benefit. Even less popular is an obvious solution for deficits—raising taxes. Last year's deficit, already down to \$164 billion from the \$290 billion of three years earlier, would have been wiped out completely with 12% more in federal receipts. The transparency of Washington's alleged concern for budget balancing is revealed by the various proposals for tax cuts that in themselves only increase deficits.

The current argument is not about balancing the budget now or even in seven years. It's about what to do to be able to make a forecast that the budget will be "balanced" in 2002. In January 1993, as the Bush administration was coming to a close, its Office of Management and Budget forecast for that fiscal year—already three months along—a deficit of \$327 billion. That estimate

turned out to be \$72 billion in excess of the actual deficit of \$255 billion. So who can honestly predict now what tax revenues and outlays will be in seven years?

The Congressional Budget Office projects 2.4% annual growth in real gross domestic product and 3.2% inflation. The Clinton administration's Office of Management and Budget projects 0.1 to 0.2 percentage point more growth and 0.1 percentage point less inflation, and those differences would so affect revenues and outlays as to reduce accumulated deficits by almost \$500 billion in seven years, and more than double that amount in 10 years. By 2005, these flight differences in projections would amount to half of the CBO-projected deficit. That suggests that raising the OMB projected growth less than 0.2 percentage point and lowering the projected inflation rate 0.1 percentage point more would project a balanced budget by 2005 without any cuts in government programs.

Newt Gingrich insists that the budget projections must be based on "honest scoring," implying somehow that Bill Clinton's OMB is dishonest. But who is to say which projections are correct? Many private forecasters are more optimistic, and an increasing number of economists—and this newspaper's editor—even suggest that considerably higher growth is feasible. Even a modest 0.5 percentage point more, to 3% a year, would wipe out the deficit well within seven years.

But Sen. Phil Gramm gave away the game when he argued on "Face the Nation" recently that a balanced budget that would permit more government spending was unacceptable. No deficit projections, accurate or inaccurate, should be used as an excuse to avoid essential cuts in projected government outlays.

And that is the real issue—not deficits and debt but the role of government. Conservative economists arguing for a balanced budget have long made clear that it is not deficits in themselves that concern them but the fact that, given public aversion to taxes, preventing deficits would hold down government spending. Voters would not permit increased spending if it had to be financed by taxes rather than painless borrowing.

Of course, these conservative economists are right in recognizing that deficits and an essentially domestically held public debt such as ours are not a concern. As Abraham Lincoln said in his 1864 Annual Message to Congress: "The great advantage of citizens being creditors as well as debtors with relation to the public debt, is obvious. Men can readily perceive that they cannot be much oppressed by a debt which they owe themselves."

One thing a balanced budget would do is eliminate efforts by the government to maintain private purchasing power. Such efforts would entail cutting tax rates, or at least leaving them unchanged, and raising government benefits, or at least allowing them to grow in the face of business downturns. Insisting on a balanced budget means requiring tax rates to be increased during a recession and outlays of unemployment benefits and food stamps, for example, to be decreased. Aside from the misery that some of these actions might entail, they would appear to most economists as exactly the wrong thing to do.

Government should provide activities and services that the private economy would not provide or would not provide adequately. Much of social insurance is in this category—retirement benefits and medical care for the aged, unemployment benefits for the jobless and "welfare" payments for those unable to work and their children. It is perhaps not widely acknowledged, for reasons for electoral politics, that the privatization that conservatives generally favor would extend to Social Security.

A further role for government is to be found in the funding, if not always the provision, of education. This would include such federal programs as Head Start for preschoolers; school lunches in primary schools; apprentice and school-to-work programs in high schools; and direct loans, scholarships and social service programs to facilitate enrollment in colleges and other post-secondary institutions. Government would appear needed to support the basic research on which progress in new technology and health maintenance ultimately depend. And efforts such as the earned-income tax credit and job training to get more people to work and off pure government handouts are also viewed by many, including President Clinton, as very much in order.

Republicans would generally reduce or eliminate these programs and cut taxes, most heavily for those with high incomes. They claim that this would help the economy and hence ultimately make better off the poor and less fortunate who have only been trapped in their worsening positions by the government programs designed to help them.

The current Republican revolutionaries would reduce or eliminate government programs that have been developing since the New Deal of the 1930s. To the new revolutionaries these programs injure the workings of a free-market economy that has contributed so much to our well-being. But to many others they are indispensable both to stable economic growth and the social compact on which our economic system and our society depend.

What we've been witnessing in these heated political battles is not just posturing or boys fighting in the schoolyard. There are fateful issues involved. But it is not the deficit, stupid.

PARTIAL-BIRTH ABORTION BAN ACT

Mr. BYRD. Mr. President, the Senate voted on November 8 to commit H.R. 1833, the partial-birth abortion ban bill, to the Senate Judiciary Committee for a hearing and, within 19 days, to report the bill back to the full Senate. The Judiciary Committee held a hearing on this measure on November 17. H.R. 1833 came before the Senate again yesterday, December 7, and I voted against this measure.

This is an extremely difficult issue, one which I have wrestled with a great deal. However, after carefully listening to the debate and following the Judiciary Committee hearing, I have concluded that this is a matter in which Congress should not impose its judgment over that of the medical community.

H.R. 1833, the Partial-Birth Abortion Ban Act, would criminalize a medical procedure, the partial-birth abortion. Physicians have expressed concern that the bill does not use recognized medical terms in defining partial-birth abortion, thus, creating uncertainty as to what procedures would be banned. It is my understanding that the American College of Obstetricians and Gynecologists oppose this bill. Beyond the concern about the terminology used to define the procedure, the college also expressed concern that Congress is attempting to impose its judgment over that of physicians in medical matters.

The Senate Judiciary Committee hearing had a panel of physicians testify who could not agree about this procedure. If doctors are uncertain, I do not believe it is a good idea for Congress to ban this procedure in all instances. Although an exception for the life of the mother was adopted during this debate, the health of the mother is not taken into account. It is my understanding that this procedure, in some circumstances, may be the least risky option for a woman and may be necessary to preserve the health and the future fertility of the woman.

Also testifying before the Senate Judiciary Committee were women who had this procedure. I admire these women for coming forth to relate their painful and personal experiences so that the Senate could better understand the impact of this legislation. These women were faced with the necessity of terminating their very much wanted pregnancies because their unborn babies suffered severe abnormalities. Their physicians decided that in their tragic circumstances, this procedure was the safest option.

No woman should have to face this situation. But unfortunately and tragically pregnancies do not always to as planned. Severe fetal abnormalities or the threat to a woman's life or health that may be exacerbated by pregnancy sometimes lead to the need for women and their families to make difficult decisions. These are tragic decisions women and their doctors should make without the interference of the Congress. I sympathize greatly with the women and families who unfortunately have had to face these decisions. If we enact this legislation, aren't we making the plight of women who may face this agonizing situation in the future that much more difficult by removing what may be the safest option as determined by the woman and her doctor?

In addition, the Supreme Court has ruled that States can ban, restrict, or prohibit post-viability abortions except in cases where the woman's life or health is a jeopardy. In fact, 41 States have chosen to restrict abortions after viability. I believe this issue is best left to States to regulate.

Given the uncertainty in the medical community surrounding this procedure and the unprecedented step this bill takes in criminalizing a medical procedure, I voted against H.R. 1833. I do not believe that the Federal Government should be usurping the powers of the States in such matters. Nor do I believe that politicians should be involved in private decisions between patients and their doctors regarding the appropriate medical treatment of serious heart-rending and critical health matters.

THE BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, the skyrocketing Federal debt is now slightly in excess of \$11 billion shy of \$5 trillion.

As of the close of business Thursday, December 7, the Federal debt—down to the penny—stood at exactly \$4,989,071,101,377.59 or \$18,938.60 on a per capita basis for every man, woman, and child.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Kalbaugh, 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 a withdrawal and a nomination which was referred to the Committee on the Judiciary.

(The nominations received today are printed at the end of the Senate proceedings.)

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-1669. A communication from the Chief of Legislative Affairs, Department of the Navy, transmitting, pursuant to law, notice relative to renewing a lease; to the Committee on Armed Services.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute and an amendment to the title:

S. 907. A bill to amend the National Forest Ski Area Permit Act of 1986 to clarify the authorities and duties of the Secretary of Agriculture in issuing ski area permits on National Forest System lands and to withdraw lands within ski area permit boundaries from the operation of the mining and mineral leasing laws (Rept. No. 104-183).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. MCCAIN:

S. 1461. A bill to amend title 49, United States Code, relating to required employment investigations of pilots; to the Committee on Commerce, Science, and Transportation.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. MCCAIN:

S. 1641. A bill to amend title 49, United States Code, relating to required employment investigations of pilots; to the Committee on Commerce, Science, and Transportation.