

when he both hosted and chaired the conference in Pago Pago.

At a special SPC meeting in Canberra, Australia, in 1983 and later that year at the conference in Saipan, Coleman was a leading voice in the debate which eventually led to equal membership in SPC for Pacific territories. A founding member of the Pacific Basin Development Council, Coleman was also the first territorial Governor to be elected president of that organization in 1982 and served a second term in 1990.

Peter Tali Coleman was born on December 8, 1919, in Pago Pago, American Samoa, where he received his primary education. He graduated from St. Louis High School in Honolulu, joined the National Guard, and then enlisted in the U.S. Army at the outbreak of World War II. Assigned to the Pacific during the war, he was stationed in the Solomon Islands and Vanuatu in addition to Hawaii, ultimately rising to the rank of captain.

Professionally, as an attorney, he was a member of the bars of the U.S. district court, U.S. Court of Appeals for the District of Columbia, the U.S. District Court in Hawaii, and the High Courts of American Samoa and the old Trust Territory of the Pacific Islands, as well as the Supreme Court of the United States. Granted an honorary LLD by the University of Guam in 1970 when he was cited as "Man of the Pacific," he also received an honorary doctorate from Chaminade College in Hawaii.

Governor Coleman was a true Pacific hero whose service took him well beyond his native Samoa. He accurately saw himself as a developer of indigenous governments, bringing Pacific islanders to full recognition of their right to self-government and their capacity to implement the same.

Coleman was married to the former Nora K. Stewart of Hawaii, his wife of 55 years. Together they had 13 children, 12 of whom are living, 24 grandchildren and 8 great grandchildren. We will all miss him, and we all send his family our condolences.

CBO VERSUS OMB: WHO IS RIGHT?

The SPEAKER pro tempore. Under the Speaker's announced policy of January 21, 1997, the gentleman from Florida [Mr. STEARNS] is recognized during morning hour debates for 5 minutes.

Mr. STEARNS. Mr. Speaker, my point in coming to the well this morning is to talk about CBO and OMB. These are Beltway terms, I know. The Congressional Budget Office is the CBO; and the Office of Management and Budget Office is the OMB. OMB is used by the White House. That is their in-house accounting firm. The CBO is our in-house accounting firm here in Congress. We use it for out budget analysis.

I wish every Member had an opportunity this afternoon to listen to what I have to say because it brings great

bearing on our debate today on the budget and for the remaining 2 or 3 months. In March 1996, with only 6 months left in the fiscal year, OMB projected that the deficit for fiscal year 1996 would be \$154 billion. They were wrong, overestimating by almost 44 percent.

Now let us look at CBO. In May 1996, just 4 months remaining in the fiscal year, CBO anticipated the budget deficit for the year would be \$144 billion. They too were wrong, overestimating by more than 34 percent. We went from 6 months to 4 months. Now let us go to 1 month and see if these folks are accurate.

With 1 month left in fiscal year 1996, both CBO and OMB estimated that the budget deficit for the year would be around \$117 billion. The actual deficit for the year was \$107 billion. Both agencies, despite the short period of anticipation, were off by 10 percent.

Mr. Speaker, in other words, neither CBO nor OMB could estimate the budget deficit for the year just 30 days, 30 days, prior to the end of the fiscal year. Yet despite these seemingly inexactitudes, politicians from both sides of the aisle consistently place great credence on these agencies' predictions, often going so far as to base America's entire fiscal policy on their estimates. Sometimes policies are enacted by employing the assumptions from these agencies for as long as the next 5 years in estimating budget data.

Mr. Speaker, if they cannot estimate the budget in 30 days, in 4 months, and in 6 months, how can we expect them to estimate over the next 5 years? CBO and OMB usually disagree sharply on their budget projections, and depending upon which side of an issue one is on, one side is either siding up with OMB or CBO.

In general, CBO is more pessimistic, OMB is more optimistic. Thus, siding with the CBO makes balancing the budget a more daunting task. Despite all of this, both agencies, as I am going to show, are typically wrong altogether. That is, they both err on the same side of the budget. Recently, both agencies have been too pessimistic, consistently overestimating the actual deficit. In the 1980's and in the 1990's, both agencies consistently underestimated the deficit.

Let us now go to the budget agreement that has been recently in the news. When viewed as part of the big picture, the two estimates are essentially identical. For fiscal year 2002, for example, the difference in deficit predictions was \$52 billion. But given the odds that both will be off by about \$300 billion, you know, it is really almost meaningless to talk about what they are projecting in 5 years.

Furthermore, the agencies' forecasts for the size of the national economy in the year 2002 are almost identical at 10.00, a trillion, for CBO, 10.087 trillion for OMB. To be blunt, Mr. Speaker, any discussion about who is right and who is wrong just does not make any sense

given the magnitude of these figures especially when we are talking about a budget projection 5 years from now.

More interestingly than who is closer to right is often the fact that both of them have been essentially wrong and cannot even predict the budget within 30 days. It must be noted that a study of the two agencies' predictions over the last 20 years shows CBO to be closer to right more than OMB. So, perhaps CBO is the one we should follow, although I question that. Fortunately, CBO conducted a large majority of the study, so they had a higher percentage of opportunities to prove they were right.

So, Mr. Speaker, what is the point of all this, what is the lesson to be learned when we look at CBO and OMB and ask them to project out over 5 years? Well, both agencies are quick to point out that the differences between themselves are insignificant and are not good indication of future performance. And I do not know if past performance is a good indication of future performance.

The only certainty that we have this afternoon is that neither one will be absolutely right, and we as Members of Congress should not put a great deal of emphasis on these individual agencies because they both have been wrong. Let me conclude by saying economics is not an exact science and we have to rely on all of us to work together continually to reach a balanced budget and that is the only way we know to reduce the deficit.

NATIONAL HOME OWNERSHIP WEEK

The SPEAKER pro tempore. Under the Speaker's announced policy of January 21, 1997, the gentlewoman from the District of Columbia [Ms. NORTON] is recognized during morning hour debates for 5 minutes.

Ms. NORTON. Mr. Speaker, I come to the floor this afternoon on a particularly happy occasion. I am pleased to see my good friend and colleague, the gentleman from California [Mr. LEWIS], from the other side of the aisle here as well, because I think we come to talk virtually in unison about the same subject. We have just come from a press conference involving Democrats and Republicans to kick off National Home Ownership Week.

I want to thank the gentleman from California [Mr. LEWIS] for deciding to do so with a wonderful initiative here in the District.

The idea, let me be quick to say, is the idea of Representative JERRY LEWIS, who has come forward with an idea that is likely to win favor throughout the country and to be copied throughout the country. Instead of just celebrating National Home Ownership Week with a lot of rhetoric on the floor, true to form, Representative LEWIS would have us do something to indicate our commitment, our continuing commitment, to the proposition