both on our own soil and in foreign lands around the globe. These men and women stand ready, at a moments notice, to put their lives on the line so that U.S. citizens here and abroad may live in peace and safety. They are prepared to protect, at any cost, the rights and freedoms which we all hold so dear, and for which so many have sacrificed so much during the more than 220 years of our nation's history. As they serve, even on foreign ground, they serve under Old Glory, the symbol of all that we value and cherish about the United States of America. The flag serves as a constant reminder of the land they call home, of their family and friends, and of all the values that make the United States of America the beacon of liberty and justice throughout the world.

In trying to define what the flag of the United States means, I was particularly moved by the words of Henry Ward Beecher. In his essay, ''The Meaning of Our Flag,'' he wrote, ''Our Flag carries American ideas, American history and American feelings. Beginning with the Colonies, and coming down to our time, in its sacred heraldry, in its glorious insignia, it has gathered and stored chiefly this supreme idea: divine right of liberty in man. . . .That it meant, that it means, and, by the blessing of God, that it shall mean to the end of time!''

Mr. President, by supporting S.J.Res. 40, we honor the meaning of the flag. By acknowledging that the flag of the United States is more than just a piece of cloth, more than just a physical entity devoid of value, we indicate our understanding of those things for which it stands. I hope my colleagues will join me, and the resolution's sponsors and cosponsors, in taking the first step toward protecting the flag and everything it represents.

REDUCTION OF THE DEFICIT

Mr. NICKLES. Mr. President, during the President's State of the Union speech, as well as in the submission of the budget, there have been a lot of accolades about a balanced budget. Many of us have worked for a long, long time to see a balanced budget. It has been kind of interesting, with different people taking credit for it. The President said he has done it since has been in office, that the deficit has come down every year. The Republicans have said after they took control in the '94 elections, that is when we really saw the deficits reduce.

I would like to put some facts into the RECORD, dealing both with the President's budget and also the source of the decline of the deficit since January of 1995. In the budget deficit of 1995, submitted by President Clinton, in January of 1995, it showed that the deficit was estimated to be $176 billion in 1995; in 1996, it was supposed to be, or estimated to be $207 billion; in 1997, $224 billion; $222 billion in '98; $253 billion in '99; $284 billion in 2000; $297 billion in 2001; $322 billion in the year 2002. This is President Clinton's budget. That was what he submitted to Congress in January of 1995.

Now, you had something happen in November of '94, which is that the Republicans were elected to take control of Congress. That was the change. This already takes into account the President's large tax increase of 1993. So that is already computed in here. In spite of his large tax increase, deficits continued to increase, from $176 billion in '95 to an estimated $322 billion in the year 2002.

I make a point of that because I have heard several administrative officials testifying, ''Yes, we brought the deficit down and did it because of that historic tax increase of 1993.'' I just beg to differ. The facts were that the policies showed that the deficit was going to continue to climb significantly. What happened since 1995? That is what this chart will show. We have had some tax cuts. The tax cut that was passed—actually, there was one passed in '95, but the President vetoed it. So there is no change in '95 and '96, as far as the Tax Code. Congress did pass, and the President signed, a tax reduction effort last year. This chart will show the net effect of that. Frankly, it is not very large. In between the years 1997 and 2002, it is a net tax cut of $75 billion. So that didn't have a lot of difference on what happened in the economy.

Spending cuts over that same period of time, between the year 1995 and 2002, was $276 billion. So that didn't have a lot. The primary difference was re-estimates—re-estimates. I am using CBO data, Congressional Budget Office data. The difference of technical and economic assumptions is $1.567 trillion over those same years. And so, yes, the economy has done better, and the estimates were off. The growth rates have been higher, revenues have been higher. That is the principal source of deficit reduction. Again, I am not even trying to offer a lot of my own opinion. I am just trying to show that here is the deficit projection given by CBO in January of 1995. Here is the CBO deficit baseline in January of 1998, 3 years apart, but a total of a couple of trillion dollars difference in their net results.

Now, Mr. President, I would like to talk about the President's budget that he submitted to Congress. He made the statement that he did not want one dime to be spent that would increase the national debt—not one dime. Under the President's proposal, he has $124 billion, actually $124.1 billion, between the year 1998 and the year 2003, that 5-year period of time, that would increase the debt by new spending. And $70.9 billion of that is discretionary spending—including mandatory, a total of $124 billion of new spending, spending over and above what we have in present law, spending over and above what is now contemplated, spending over and above what was agreed upon last year.

I might mention, as far as the discretionary spending, last year we entered into an agreement that said here is how much we are going to spend in discretionary spending every year. The President is violating that agreement by his submission of the budget.

Now, the budget was balanced, but yet in the budget that we agreed upon last year, one of the reasons it is balanced is because basically we froze, or came close to freezing discretionary spending. He is calling for increases in discretionary spending above what was agreed upon last year. He calls for $124 billion in new spending. He also has tax cuts that really also would have an increasing impact on the deficit of $24.2 billion.

If you add the two together, the President's proposal that he made in his budget and in the State of the Union, if you took the new spending and the tax cuts, which are really, in my opinion, using the Tax Code to spend money, it would have a negative impact on the deficit of $148.3 billion over this period of time.

I am going to submit this for the record. It will show you exactly where it goes, the discretionary, mandatory—where in the mandatory spending, where in the tax cuts, the amount of those tax cuts the President has proposed. He has proposed this amount of new spending and tax cuts which have a negative impact on the deficit of $148 billion.

In other words, if we do not do anything, the deficit picture will be $148 billion better than it would be if we enacted the President's spending and tax proposal.

Now, to pay for it, he does provide for $115.8 billion of new taxes—tobacco tax increases, other tax increases, and user fees. If you add all that together, it is $115.8 billion. He has proposed spending cuts in the mandatory items of $34 billion, and so that's how he is paying for his new spending and for his tax cuts.

So I just make mention of that, Mr. President. The President's proposal violates the budget proposal because it increases discretionary spending more than we agreed upon last year, and that's where we are getting a lot of savings. Then he says basically what he wants to do is to spend $124 billion more over this period of time than what we agreed upon last year. He wants to give some tax cuts of $24 billion, targeted social spending through the Tax Code, and some of that is for school construction, some of it is for child care tax credits, for environmental purposes, and so on. But anyway, he wants to use the Tax Code to spend money, and so he has $148 billion. What does he do? He says, well, let's increase taxes $115.8 billion and let's make some changes in some of the entitlement programs, spectrum fees and so on, and we will raise the money to do it. So he wants to spend and tax $150 billion more than we agreed to last year—$150 billion over 5 years. That is what it boils down to.

In other words, you can do nothing and you will have basically the same deficit picture under the President's budget as if you adopted it. If you adopt the President's budget, you would spend a lot more and you would tax a lot more, period. If you just look at the figures, here is the budget level under existing law, or if we adopt the President's, we are going to spend about $148 billion, $150 billion more in discretionary and mandatory spending and we are going to tax that much.

That is really what it boils down to. I hope we do not follow that. But I at least wanted to put that in the RECORD so my colleagues would have it.

I ask unanimous consent that three charts I prepared using the President's budget and CBO be printed in the RECORD.

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

SOURCE OF DEFICIT DECLINE

Under GOP Congress

	104th Congress		105th Congress		106th Congress		107th Congress		
	1995	1996	1997	1998	1999	2000	2001	2002	TOTAL
CBO DEFICIT BASELINE (January 1995)	**(176)**	**(207)**	**(224)**	**(222)**	**(253)**	**(284)**	**(297)**	**(322)**	**(1,985)**
Tax Cuts	0	0	4	(9)	(7)	(22)	(24)	(17)	(75)
Spending Cuts	0	16	22	(2)	22	57	50	111	276
Reestimates (technical & economic)	12	84	180	228	235	246	285	297	1,567
CBO DEFICIT BASELINE (January 1998)	**(164)**	**(107)**	**(22)**	**(5)**	**(2)**	**(3)**	**14**	**69**	**(220)**

Amounts which reduce the deficit are shown in (parenthesis).
Details may not add due to rounding.

BUDGET PROPOSAL SUMMARY
President Clinton's FY99 Budget
(In billions of dollars)

	1998	1999	2000	2001	2002	2003	Total, 1999-2003
OMB BASELINE (DEFICIT) / SURPLUS	(9.9)	5.6	5.2	27.8	90.3	89.1	218.0
PROPOSALS WHICH INCREASE THE DEFICIT							
Discretionary (includes user fee spending)	(0.0)	6.4	10.5	12.4	17.7	23.9	70.9
Mandatory							
Activities authorized in tobacco legislation	0.0	3.4	3.9	4.6	5.0	5.4	22.3
Child care block grant	0.0	0.8	1.1	1.3	1.5	1.9	6.6
Teachers	0.0	0.1	0.8	1.2	1.4	1.6	5.1
Early learning fund	0.0	0.4	0.5	0.6	0.6	0.6	2.7
Student loans	0.3	0.3	0.5	0.6	0.7	0.9	3.1
Legal immigrants	0.1	0.5	0.5	0.5	0.5	0.5	2.5
Medicare	0.0	0.1	0.5	0.5	0.5	0.5	2.1
Other mandatory	*	1.5	1.7	2.1	1.9	1.7	8.8
Subtotal, New Spending	**0.4**	**13.5**	**20.0**	**23.8**	**29.8**	**37.0**	**124.1**
School construction & education tax incentives	0.0	0.4	1.2	1.7	1.4	1.3	6.0
Child care tax credits	0.0	0.3	1.3	1.3	1.3	1.4	5.6
Climate change tax incentives	(0.0)	0.4	0.6	0.6	0.8	1.2	3.6
Extension of expiring provisions (R&D, etc)	0.4	1.1	1.0	0.6	0.4	0.3	3.4
Increase low income housing tax credit	0.0	0.0	0.2	0.3	0.4	0.6	1.6
Other tax cuts	0.1	0.9	0.9	1.0	0.6	0.6	4.0
Subtotal, Tax Cuts	**0.5**	**3.2**	**5.1**	**5.5**	**5.0**	**5.4**	**24.2**
TOTAL PROPOSALS WHICH INCREASE THE DEFICIT	0.8	16.8	25.1	29.3	34.8	42.3	148.3
PROPOSALS WHICH DECREASE THE DEFICIT							
Tobacco revenues	0.0	(9.8)	(11.8)	(13.3)	(14.5)	(16.0)	(65.5)
Other tax increases	(0.5)	(6.2)	(8.0)	(8.9)	(9.0)	(8.0)	(40.1)
User fees	0.0	(1.7)	(2.1)	(2.1)	(2.1)	(2.2)	(10.2)
Subtotal, Tax Increases & User Fees	(0.5)	**(17.7)**	**(21.9)**	**(24.2)**	**(25.6)**	**(26.2)**	**(115.8)**
VA tobacco reform	0.0	(0.8)	(1.3)	(2.3)	(6.3)	(6.4)	(17.0)
Medicare	0.0	(0.2)	(0.4)	(0.5)	(0.6)	(0.7)	(2.4)
Other mandatory	(0.4)	(1.7)	(2.5)	(2.5)	(2.6)	(2.5)	(11.8)
Debt service	0.0	(0.1)	(0.3)	(0.4)	(0.4)	(0.3)	(1.5)
Spectrum & other items	-*	(0.3)	(2.2)	0.2	1.0	(0.2)	(1.5)
Subtotal, Spending Cuts	**(0.4)**	**(3.1)**	**(6.7)**	**(5.5)**	**(8.9)**	**(10.1)**	**(34.2)**
TOTAL PROPOSALS WHICH DECREASE THE DEFICIT	(0.9)	(20.8)	(28.6)	(29.7)	(34.5)	(36.3)	(150.0)
CLINTON BUDGET (DEFICIT) / SURPLUS	(10.0)	9.5	8.5	28.2	89.7	82.8	218.8

TAXES & USER FEES
President Clinton's FY99 Budget
(In millions of dollars)

	Total 1999-2003
Education incentives	(6,046)
Child care tax credits	(5,591)
Environment & climate change tax credits	(3,635)
Expiring provisions	(3,392)
Low-income housing tax credit per capita cap	(1,559)
Trade provisions	(1,409)
Promote expanded retirement savings	(915)
Other tax incentives	(813)
Simplify the tax laws	(631)
Enhance taxpayers' rights	(188)
Tax Cuts	**(24,179)**
Replace sales-source rules with activity-based rules	6,571
Convert aviation taxes to user fee system	5,950
Modify reserve rules for annuity contracts	4,641
Reinstate environmental tax imposed on corporate taxable income	3,841
Reinstate Superfund excise taxes	3,606
Modify corporate-owned life insurance (COLI) rules	2,204
Repeal lower-of-cost-or-market inventory accounting method	1,647
Extend excise taxes on gasoline, diesel fuel and special motor fuels	1,547
Reinstate oil spill excise tax	1,221
Eliminate non-business valuation discounts	1,008
Other tax increases	7,906
Tax Increases (non-tobacco)	**40,142**
User Fees	**10,183**
Tobacco Tax Increases	**65,494**
NET TAX INCREASES & USER FEES	**115,819**
TOTAL, ALL TAX INCREASES & USER FEES	**91,640**

PRESIDENT CLINTON'S BUDGET

BILLIONS OF DOLLARS	1997	1998	1999	2000	2001	2002	2003	Total 1999-2003
Defense	272	265	267	270	271	273	290	1,370
Domestic	276	288	300	304	304	304	306	1,518
DISCRETIONARY	549	553	566	574	575	577	595	2,887
Social Security	362	378	393	409	427	447	468	2,144
Medicare	208	216	226	238	256	261	285	1,266
Medicaid	96	101	108	115	123	133	143	622
Other Mandatory	143	177	198	213	220	215	234	1,079
MANDATORY	809	872	925	975	1,026	1,056	1,129	5,111
INTEREST	244	243	242	236	234	227	221	1,160
NET OUTLAYS	1,601	1,668	1,733	1,785	1,834	1,860	1,945	9,158
NET REVENUES	1,579	1,658	1,743	1,794	1,863	1,949	2,028	9,376
DEFICIT/SURPLUS	(22)	(10)	10	9	28	90	83	219

PERCENTAGE CHANGE	1997	1998	1999	2000	2001	2002	2003
Defense		-3%	1%	1%	0%	1%	6%
Domestic		4%	4%	2%	0%	-0%	1%
DISCRETIONARY		1%	2%	1%	0%	0%	3%
Social Security		4%	4%	4%	4%	5%	5%
Medicare		4%	5%	5%	8%	2%	9%
Medicaid		5%	7%	6%	7%	8%	8%
Other Mandatory		24%	12%	7%	3%	-2%	9%
MANDATORY		8%	6%	5%	5%	3%	7%
INTEREST		-0%	-0%	-2%	-1%	-3%	-3%
NET OUTLAYS		4%	4%	3%	3%	1%	5%
NET REVENUES		5%	5%	3%	4%	5%	4%

On-Budget Deficit/Surplus	(103)	(106)	(96)	(105)	(94)	(45)	(63)
Debt Held by Public	3,771	3,797	3,807	3,812	3,798	3,722	3,652
GDP	7,972	8,348	8,685	9,047	9,440	9,880	10,336

Mr. NICKLES. Mr. President, I see my colleague from West Virginia. I am going to close the Senate unless he wishes to address the Senate. And he has declined, Mr. President.

UNANIMOUS CONSENT AGREEMENT—NOMINATION OF MARGARET MORROW

Mr. NICKLES. Mr. President, I ask unanimous consent that in executive session the majority leader, after consulting with the Democratic leader, may proceed to executive session for consideration of the nomination of Calendar No. 135, Margaret Morrow, to be U.S. district judge for the Central District of California.

I further ask consent that the nomination be considered under the following limitation: 4 hours for debate on the nomination, with Senator ASHCROFT in control of 2 hours, and the remaining 2 hours divided with Senator BOXER in control of 45 minutes and 1 hour 15 minutes equally divided between the chairman and ranking member.

Finally, I ask consent that following the expiration or yielding back of the debate time, the Senate proceed to a vote on the confirmation of the nomination, and that following the vote, the President be immediately notified of the Senate's action, and the Senate then return to legislative session.

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

ORDERS FOR TUESDAY, FEBRUARY 10, 1998

Mr. NICKLES. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 10 a.m. on Tuesday, February 10, and immediately following the prayer, the routine requests through the morning hour be granted.

I further ask consent that the time until 11 a.m. be equally divided between the proponents and opponents of the nomination of David Satcher to be Surgeon General.

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

Mr. NICKLES. I further ask unanimous consent that the Senate recess from 12:30 until 2:15 on Tuesday for the weekly policy conferences to meet.

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

UNANIMOUS CONSENT AGREEMENT—S. 1601

Mr. NICKLES. I further ask unanimous consent that the cloture vote on the motion to proceed to the cloning bill occur at 10 a.m. on Wednesday. I also ask unanimous consent that on Wednesday the time from 9:30 until 10 a.m. be equally divided between the two leaders or their designees for debate on the motion to invoke cloture on the motion to proceed to the bill, S. 1601.

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

PROGRAM

Mr. NICKLES. On Tuesday, at 11 a.m. the Senate will vote to invoke cloture on the nomination of David Satcher to be Surgeon General. Under the agreement, if cloture is invoked, a second vote will occur immediately on the confirmation of that nomination. Therefore, Senators should be aware there may be two consecutive rollcall votes beginning at 11 a.m. tomorrow.

As a reminder, the cloture vote on the motion to proceed to the cloning bill will now occur on Wednesday at 10 a.m.

At 2:15 on Tuesday, February 10, it may be the majority leaders's intention to consider the nomination of Judge Massiah-Jackson. Therefore, votes can be expected to occur.

ADJOURNMENT UNTIL 10 A.M. TOMORROW

Mr. NICKLES. Mr. President, if there is no further business to come before the Senatae, I now ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 6:47 p.m., adjourned until Tuesday, February 10, 1998, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate February 9, 1998:

CORPORATION FOR PUBLIC BROADCASTING

CHRISTY CARPENTER, OF CALIFORNIA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE CORPORATION FOR PUBLIC BROADCASTING FOR A TERM EXPIRING JANUARY 31, 2002, VICE LESLEE B. ALEXANDER, TERM EXPIRED.