

truly achieve a smaller government, lower taxes and more money in the taxpayers' pockets. It is also the only way to avoid an economic earthquake in America.

With the unfortunate defeat of the balanced budget amendment in the other body, it is more imperative than ever that this body now exercise fiscal discipline. That is exactly what the new House majority will deliver.

And, Madam Speaker, I admit it won't be easy. The President unfortunately has abdicated its responsibility, hasn't given us anything near a balanced budget.

We know the American people are behind us. They understand what is at stake. They are smarter than many politicians give them credit. And working together, we will get the job done. Working together with the American people, we will balance the budget.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. BISHOP] is recognized for 5 minutes.

[Mr. BISHOP addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. WELDON] is recognized for 5 minutes.

[Mr. WELDON of Florida addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

#### TIME TO GET SERIOUS ABOUT TRADE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon [Mr. DEFAZIO] is recognized for 5 minutes.

Mr. DEFAZIO. Madam Speaker, the gentleman who proceeded me talked about a looming crisis, and I am in agreement with him regarding the implications of our continuing deficit and mounting debt, but there is a more immediate economic crisis confronting this country and we are hearing little of it, little discussion of it here on the floor of the House of Representatives or in the other body or downtown at the White House.

Why might that be? Because too many people are implicated in the policies that led up to that crisis and they don't want to talk about it.

The dollar today for the third day in a row hit a postwar low. Here is what the dollar's decline looks like over the last 10 years. The dollar has fallen to just about a third of its value compared to the Japanese yen in a mere 10 years.

A few days ago, we announced that we had the largest trade deficit in the history of the United States: \$160 billion. We borrow \$160 billion from foreign nations so that we could buy their goods when they were not buying ours.

And when Mickey Kantor, or the Special Trade Representative, was discussing this he said, You might ask if your trade policy is working, and he said, Yes, it is right on track. A \$160 billion trade deficit, 3.2 million lost jobs in manufacturing to overseas competition, and it is working just fine?

That underlies to a tremendous extent this crash in the dollar. And the other part is our linkage to Mexico. The peso has reached a new low today, and despite our promise of a \$50 billion bailout, Mexico is in a tailspin like you would not believe.

About a month ago an analyst, a financial analyst named Christopher Whalen sat in my office and he said, If the United States is going to put up \$40 billion to bail out Mexico, they better be willing to put up \$150 to bail out Mexico because it will trigger a run on the United States dollar. And that has come to pass.

The people downtown and the apologists on that side of the aisle for these trade policies and for the Mexico bailout, and the Speaker who would not lift a hand and would not allow us to bring a bill to the floor to stop the Mexico bailout, those people have nothing to say. They would say there is no linkage.

Read today's New York Times. The administration's biggest problem may be that the world is believing the rhetoric it employed to win support for its \$20 billion aid package for Mexico's troubled economy. Especially Mr. Clinton's insistence that the Mexican and American economies are intertwined. Today with the Mexican Government racing to take over failing banks, stabilize a tumultuous political situation, the peso dropped to a new low. And despite the bailout, the peso is now weaker than it was when we announced the \$50 billion package.

The speculation in the markets is now that the package may not be enough to do the job. \$50 billion to export jobs to Mexico to run a \$12 billion trade deficit with Mexico next year and it is not enough? How much is enough for these apologists, for a failed trade policy? Some people are going to have to admit that they were wrong.

NAFTA is not working the way they told us it would. It has put the United States into an international tailspin. We have linked ourselves to a collapsing Third World economy and there is no end in sight.

And what are we doing on the floor of the House of Representatives? Are we considering legislation that would address this? Are there emergency hearings going on here in the Congress to deal with the crashing dollar and our alliance with Mexico and the \$50 billion trade bailout? No, in fact, ironically today and tomorrow on the floor of the House we are considering special legislation to give special privileges to poor beleaguered Wall Street stockholders who have lost their money or people who have lost their pension funds.

We are giving Wall Street a special little gift. They have done such a great job in leading us into these trade policies and forcing us into these trade policies. Not me—I didn't vote for it—but forcing others who felt they must follow the lead of Wall Street. Those people are now being given special privileges by the House of Representatives so they will be immune from stockholder lawsuits and they will be immune from forgetting to tell you something. That is their reward.

It is time to get serious about trade and turn these issues and say no to Wall Street and get America back on track.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Connecticut [Mr. FRANKS] is recognized for 5 minutes.

[Mr. FRANKS of Connecticut addressed the House. His remarks will appear hereafter in the Extension of Remarks.]

#### A MAJOR ECONOMIC CRISIS IS BREWING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Ms. KAPTUR] is recognized for 5 minutes.

Ms. KAPTUR. Madam Speaker, I wish to associate myself with the remarks of the prior speaker. There is no question that the value of our Nation's currency on international markets is a measure of our Nation's economic strength and economic health. And over the past few days and weeks, our dollar has hit historic lows against currencies of all the nations that we trade with. In fact, it is at the lowest level, our dollar's value, since World War II. That is a longer time than many people in this Chamber have been alive. so it has not been at this point for decades.

The dollar's exchange value stands at a scant 92.8 yen to the dollar. I can remember when it was 240 yen to the dollar and 1.4 German marks against the dollar. In other words, the dollar is not looking so good to the rest of the world. It is losing its value. It is looking cheap.

Little that our Treasury Department or Federal Reserve have been able to do over the last few days to give the dollar a boost has worked. In fact, they put over \$2 billion into buying currencies around the world over the weekend and it did not do any good. Did not do any good, had no impact on stopping the dollar's further decline.

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Now, what does this really mean to families in our Nation? It means that our money, our people's money, cannot buy as much, not just here at home, but abroad. It means that interest rates in our country rose seven times over the last 12 months, even though most people were going, well, why are interest rates going up? There is really

no inflation. What is happening here? Banks are raking in good money off of our people, and though there is no inflation on the horizon, we see that our Nation is raising interest rates to attract money from other places because our money is not worth as much.

In fact, we are now, the United States of America, the largest debtor nation in the world, and through NAFTA, we linked ourselves to Mexico and Canada, and North America is now the largest debtor continent on the face of the planet.

And the markets know it. For 15 years our country has been importing vast amounts of merchandise, more than we exported. In fact, last year, 1994, we had the largest merchandise trade deficit in the history of our country; as Congressman DEFAZIO referenced, over \$166 billion more of goods coming in here than we sent out.

In effect, what we have, we have a decapitalization of the United States of America; production that used to be done here is being done somewhere else. We are importing all this stuff and then we have to pay for it with borrowed money. Doesn't sound like a very smart policy to me.

Last year, our deficit with Japan went up even more, to over \$65 billion. Our deficit with China went up to nearly \$30 billion, and the former surplus that we had had before NAFTA with Mexico dried up and went into the negative numbers in October and November of last year, and with the incredible devaluation of the peso, it is estimated that this year of 1995, the United States will yield nearly \$15 billion more of trade deficit in the red with Mexico.

In other words, Mexico will be sending more goods to this country than we will be sending down there. That is not how NAFTA was supposed to work. It is clear that since the middle of February, and like Mr. DEFAZIO, I have a chart that shows the value of the U.S. dollar going down. Since the mid-1980's until the most recent period here after the Mexican peso was devalued, to which we have not linked ourselves inseparably, the value of our dollar has dropped at the fastest rate in the history of our country, and like Mr. DEFAZIO, I am shocked there are no emergency hearings in the Congress. There is no word from the White House. At least the newspapers are reporting, and it has been in top headlines in USA Today, in the New York Times, in the Wall Street Journal. You think Washington fell comatose on this one.

There is a major economic crisis brewing, and money is flowing out of our Treasury to try to prop up the Mexican peso, a few billion dollars. Actually there is more money that has flowed out of the Treasury to prop up the Mexican peso than money has flowed out of the Treasury to prop up the United States' dollar in international markets, we learned this morning. What happened today? Peso

went down again in terms of its own value.

Madam Speaker, I ask unanimous consent for an additional minute.

The SPEAKER pro tempore (Mrs. VUCANOVICH). The Chair is constrained not to entertain such a request during the 5-minute period. The Chair is advised that the 1-minute extension that was allowed the gentleman from Alabama earlier this evening was a parliamentary error.

Ms. KAPTUR. Oh, was an error. All right.

Madam Speaker, let me just say in closing, is not it time someone in this House rang the alarm bell to say enough is enough, and I call on Speaker GINGRICH to allow our bills to move to the floor to stop the further outflow of taxpayer dollars to Mexico.

#### AMERICAN POLICY ON CUBA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Ms. ROS-LEHTINEN] is recognized for 5 minutes.

Ms. ROS-LEHTINEN. Madam Speaker, earlier today, we were privileged to have had the Auxiliary Bishop of the Archdiocese of Miami, Agustin Roman, deliver the opening invocation. In addition to being a model human being and a great role model for our south Florida community, Bishop Roman is one of the many victims of the Castro regime.

You see, the bishop, who is a native of Cuba, was expelled from his own country in 1961 after armed militia men entered his church and at gunpoint led Bishop Roman and 132 other priests out of the country. Since then, the bishop has made it his personal mission to diffuse God's word around the world and to bring liberty and democracy to Cuba.

Of Course, Bishop Roman was not the first nor the last victim of the tyrant who has ruled Cuba for 36 years. As we saw in this summer's rafter exodus, millions of Cubans still linger in the misery and oppression which Fidel Castro and his band of goons have imposed on the island.

Most of these Cubans have fled the island this summer and risked their lives in hopes of reaching the shores of freedom, and they remain today detained like common criminals behind the barbed wire of their Guantanamo Base refugee camps.

This policy by the Clinton administration has been a very unfortunate shift in U.S. policy toward Cuba, which previously gave the oppressed Cuban people the opportunity to begin a new and productive life in the United States, and at the onset of this policy the President promised tougher sanctions against Castro. But as today's front page story in the Washington Post reports, advisers to the President are considering proposing a plan to the President which calls for the easing of sanctions against Cuba and which promises Castro to consider further re-

laxation of the embargo if Castro makes what they consider to be a positive move toward democracy.

Madam Speaker, this is the height of naivete and an utter denial of the reality of the way that Castro operates. For 36 years, the United States has been waiting for concessions from Castro and we have gotten none. In the 1960's, all we got were screams of "pardon, pardon," announcing the execution of yet another Cuban. In the 1970's, we got the exportation of revolution, not only to Latin America, but also to Africa, where thousands of young Cubans were sent to their deaths in the name of the revolution.

And in the 1980's, we got rectification and a special period of peace, which squeezed the Cuban people to mere subsistence.

Today, we get word of reforms, cosmetic reforms, which are just a mask of the sad reality, the utter failure of Castro and of his Communist revolution.

However, through all these decades, one element of the Cuban regime has remained intact, the absolute control of Castro over the island of Cuba and the denial of political and civil rights to the Cuban people.

Unbelievably and apparently, some within the Clinton administration still believe that Castro can reform and that it is somehow the fault of the United States that Castro has remained unwilling to change.

Just today, at an International Relations hearing, I was once again surprised by a member of the administration on the policy toward Cuba. On a hearing on the Mexico bailout plan, a state official made the incredible statement that Mexico does not "provide assistance to the government of Cuba."

This is a disingenuous statement, considering that Mexico is one of the leading investment countries in Cuba and that the Mexican Government actively encourages Mexican investors to invest in the island. Thus Mexico, through its policy of investment promotion in Cuba, directly encourages the subsidizing of the repression of the Cuban people. Leave it to the Clinton administration officials to once again ignore the obvious.

Furthermore, we have still not heard a word from the President on the recently introduced Cuban Liberty and Democratic Solidarity Act introduced by Senator JESSE HELMS and Congressman DAN BURTON, and this bipartisan legislation is a joint effort by Democrats and Republicans to tighten the Cuban embargo against Castro. However, as of today, the President has remained silent.

Madam Speaker, on a recent trip to Guantanamo, led by a very knowledgeable chairman of the Western Hemisphere Subcommittee, Congressman DAN BURTON, as well as with Congressmen LINCOLN DIAZ-BALART, BOB MENENDEZ, MARK SANFORD, VIC FRAZER, and JOHN MICA, we were able to once again visit with the victims of the