''Whereas, the United States of America was founded by men and women with varied religious beliefs and ideals; and

''Whereas, The First Amendment to the United States Constitution states that Congress shall make no law respecting an establishment of religion or prohibiting the free exercise thereof . . ., which means that the government is prohibited from establishing a state religion. However, no barriers shall be erected against the practice of any religion; and

''Whereas, The establishment clause of the First Amendment was not drafted to protect Americans from religion, rather, its purpose was clearly to protect Americans from governmental mandates with respect to religion; and

''Whereas, The Michigan Legislature strongly believes that reaffirming a right to voluntary, individual, unorganized, and non-mandated prayer in the public schools is an important element of religious choice guaranteed by the constitution, and will reaffirm those religious rights and beliefs upon which the nation was founded: Now, therefore, be it

''*Resolved by the Senate,* That the members of this legislative body memorialize the Congress of the United States to strongly support voluntary, individual, unorganized, and non-mandatory prayer in the public schools of this nation; and be it further

''*Resolved,* That a copy of this resolution be transmitted to the President of the United States Senate, the Speaker of the United States House of Representatives, and the members of the Michigan congressional delegation.

POM–470. A concurrent resolution adopted by the Legislature of the State of Hawaii; to the Committee on the Judiciary.

''HOUSE CONCURRENT RESOLUTION NO. 142

''Whereas, the flag of the United States is the ultimate symbol of our country and it is the unique fiber that holds together a diverse and different people into a nation we call America and the United States; and

''Whereas, as of March, 1995, forty-six states have memorials to the United States Congress urging action to protect the American flag from willful physical desecration and these legislations represent nearly two hundred and twenty-nine million Americans, more than ninety percent of our country's population; and

''Whereas, although the right of free expression is part of the foundation of the United States Constitution, very carefully drawn limits on expression in specific instances have long been recognized as legitimate means of maintaining public safety and decency, as well as orderliness and productive value of public debate; and

''Whereas, certain actions, although arguably related to one person's free expression, nevertheless, raise issues concerning public decency, public peace, and the rights of other citizens; and

''Whereas, there are symbols of our national soul such as the Washington Monument, the United States Capitol Building, and memorials to our greatest leaders, which are the property of every American and are therefore worthy of protection from desecration and dishonor; and

''Whereas, the American Flag is a most honorable and worthy banner of a nation which is thankful for its strengths and committed to curing its faults, and remains the destination of millions of immigrants attracted by the universal power of the American ideal; and

''Whereas the law as interpreted by the United States Supreme Court no longer accords to the Stars and Stripes the reverence, respect, and dignity befitting the banner of that most noble experiment of a nation-state; and

''Whereas, it is only fitting that people everywhere should lend their voices to a forceful call for restoration to the Stars and Stripes of a proper station under law and decency; and

''Whereas, an increasing number of citizens, individually and collectively, in Hawaii and throughout the nation, have called for action to ban the willful desecration of the American flag; and to ignore the effect of this decision would be an affront to everyone who has been committed to the ideals of our nation in times of war and in times of peace: Now, therefore; be it

''*Resolved by the House of Representatives of the Eighteenth Legislature of the State of Hawaii, Regular Session of 1995, the Senate concurring,* That this body respectfully requests each member of Hawaii's congressional delegation, with the specific purpose of urging the Congress of the United States to support an amendment to the United States Constitution, for ratification by the states, providing that Congress and the states shall have the power to prohibit the willful physical desecration of the flag of the United States; and; be it further

''*Resolved* That certified copies of this Concurrent Resolution be transmitted to each member of Hawaii's congressional delegation.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HATCH, from the Committee on the Judiciary, with an amendment in the nature of a substitute:

S. 1331. A bill to adjust and make uniform the dollar amounts used in title 18 to distinguish between grades of offenses, and for other purposes.

S. 1332. A bill to clarify the application of certain Federal criminal laws to territories, possessions, and commonwealths, and for other purposes.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. HATCH, from the Committee on the Judiciary:

Florence K. Murray, of Rhode Island, to be a Member of the Board of Directors of the State Justice Institute for a term expiring September 17, 1998.

David Allen Brock, of New Hampshire, to be a Member of the Board of Directors of the State Justice Institute for a term expiring September 17, 1997.

Joseph Francis Baca, of New Mexico, to be a Member of the Board of Directors of the State Justice Institute for a term expiring September 17, 1998.

Robert Nelson Baldwin, of Virginia, to be a Member of the Board of Directors of the State Justice Institute for a term expiring September 17, 1998.

Frank Policaro, Jr., of Pennsylvania, to be United States Marshal for the Western District of Pennsylvania for the term of 4 years.

D.W. Bransom, Jr., of Texas, to be United States Marshal for the Northern District of Texas for the term of 4 years.

(The above nominations were reported with the recommendation that they be confirmed.)

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. DORGAN (for himself, Mr. BYRD, Mr. HEFLIN, and Mr. CAMPBELL):

S. 1417. A bill to assess the impact of the NAFTA, to require further negotiation of certain provision of the NAFTA, and to provide for the withdrawal from the NAFTA unless certain conditions are met; to the Committee on Finance.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. SANTORUM (for himself and Mr. SPECTER):

S. Res. 195. A resolution to honor Frederick C. Branch on the 50th anniversary of his becoming the first African American commissioned officer in the United States Marine Corps; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DORGAN (for himself, Mr. BYRD, Mr. HEFLIN, and Mr. CAMPBELL):

S. 1417. A bill to assess the impact of the NAFTA, to require further negotiation of certain provision of the NAFTA, and to provide for the withdrawal from the NAFTA unless certain conditions are met; to the Committee on Finance.

THE NAFTA ACCOUNTABILITY ACT

• Mr. DORGAN. Mr. President, the North American Free-Trade Agreement [NAFTA] has been a total disaster for our Nation. Virtually all of the promises made when it was passed have turned out to be hollow and shallow rhetoric.

We have gone from a trade surplus with Mexico to an unprecedented and unbelievable trade deficit. Our economy is being drained, while jobs, plants, and opportunities move out of this country. It is time to admit that NAFTA is a lemon. When we get a lemon we take it back. We demand that the promises made when it was sold be kept. If not, then our only choice is to withdraw from NAFTA.

This coming Monday will be the 2d anniversary of the passage of the North American Free-Trade Agreement [NAFTA] by the Senate. Today I am pleased to introduce the NAFTA Accountability Act. I am also pleased to have Mr. BYRD, Mr. HEFLIN, and Mr. CAMPBELL as original cosponsors of this legislation.

As we approach the second anniversary of NAFTA, we need to remember the promises of NAFTA. The advocates of this trade agreement promised a more vibrant economy, a stabilized economic framework, more high-paying jobs, increased exports, improved living standards, reduced trade distortions, and improved competitiveness for the United States in global markets.

At the same time we were promised, the environment would be protected, the public welfare would be safeguarded, and basic human rights would be enhanced.

Yet, the facts show that NAFTA just doesn't measure up to its promises. It is clearly evident that NAFTA has been a colossal failure for the American people.

It is what used car dealers politely call a lemon. We have been sold a bill of goods. Like most lemons from a used car lot, it is costing us way more than we expected, and it is not getting us where we want to be going.

It is time to make NAFTA accountable. We need to measure the actual results of NAFTA after 2 years of operation against the promises made to get NAFTA passed.

In fact, we should compare NAFTA's performance against the goals set forth in NAFTA's own preamble and statement of objectives. In introducing the NAFTA Accountability Act we are setting some benchmarks for NAFTA.

We would establish eight benchmarks. Three of those benchmarks would direct the President to renegotiate critical areas of failure within NAFTA including: Trade deficits, currency exchange rates, and agricultural trade distortions.

Five of those benchmarks would establish specific measurements by which NAFTA would be judged, including: Jobs, wages and living standards; the manufacturing base of our country health and environment; illegal drug traffic; and basic individual rights and freedoms.

If the President cannot renegotiate NAFTA, and if the administration cannot certify that these benchmarks have been met by December 31, 1996, then Congress withdraws its approval of NAFTA.

The record of NAFTA is very clear. We have gone from a trade surplus with Mexico to a trade deficit. In 1992, we had a $5.7 billion trade surplus with Mexico. By the end of this year, we will have at least a $15 billion trade deficit. Some are now estimating that deficit closer to $17 billion. The total trade deficit this year with Mexico and Canada will be over $30 billion.

One of the underlying reasons for the trade deficit has been the devaluation of the Mexican peso. This past week, the peso plunged once again down to a record low of 7.8 pesos to the dollar. it is estimated that the Mexican peso is now being supported through $30 billion in loans, much of it from unwilling U.S. taxpayers.

Another critical front is the trade distortions in agriculture. This past year, Canada exported 85 million bushels of wheat and 75 million bushels of barley into the United States, despite the fact that the United States itself is the major exporter of wheat.

In contrast, you can't move a single bushel of wheat across the Canadian border without being stopped and turned back. In one case a woman who was bringing a grocery sack of wheat across the border into Canada so that she could make some whole wheat bread had to dump out the wheat, before she could enter Canada.

When NAFTA was being debated, its promoters promised at least 220,000 jobs. Those numbers have turned totally upside down. Rather than job gains of 220,000, we have job losses of at least 220,000. Some predict job losses by the end of the year of 300,000 and more.

Recently there was a survey of companies that had said they anticipated job growth under NAFTA. Fully 90 percent of those companies now admit that there has been no job growth with NAFTA.

I think one of the most striking examples of the promise versus the reality of NAFTA, are the estimates made by a trade economist as reported by the Wall Street Journal.

Gary Hufbauer is an economist with the Institute for International Economics. His estimates of job growth were used extensively prior to the passage of NAFTA. In one Wall Street Journal article prior to the passage of NAFTA, he had predicted 130,000 new jobs in 5 years.

In April of this year, Hufbauer had to eat his rosy scenario estimates. Here is what he said in the Wall Street Journal:

> The best estimate for the jobs effect of NAFTA is approximately zero. The lesson for me is to stay away from job forecasting.

Hufbauer was right, he should have stayed away from job forecasting. A couple of weeks ago, Hufbauer revised his estimate again. As reported in the Wall Street Journal, Hufbauer is now saying that the surging trade deficit with Mexico has cost the United States 225,000 jobs.

These are real jobs, and real people losing their jobs. Within the last couple of weeks, we have seen a number of plants closing, jobs moving, and layoffs.

The nation's largest underwear maker—Fruit of the Loom—at the end of October announced the closing of six domestic plants, a cut back at two other plants and lay off of 3,200 workers. A spokesman for the company, Ronald Sorini, was quite candid. He said, ''What you are seeing is the cumulative impact of NAFTA and GATT.''

Take the case of Tri-Con Industries which operates a car-seat cover plant. Ten days ago, this company announced it was closing its plant and moving its 200 jobs to Mexico.

Another firm, Ditto Apparel, announced this week that it would lay off 215 workers at its Colfax, Louisiana plant. They make private-label jeans at that plant. The personnel director at the plant, a fellow named Don Vann was also very candid.

In speaking of NAFTA and GATT, he said, ''I'm telling you, those are the nails that are going to be in the coffin of the apparel industry in this country. It's going to be awfully hard for some people who have been long-term employees here. The sad part is, there is just nothing anyone can do.''

Well, I don't agree that there is nothing anyone can do. We can hold NAFTA accountable. We can require that either NAFTA lives up to its promises, or we withdraw from NAFTA.

The NAFTA Accountability Act is simple. If NAFTA does not live up to its promises by December 31, 1996 and if the President does not renegotiate key provisions, then the Congress will withdraw its approval of NAFTA.

Essentially this would be a performance audit. If it doesn't pass muster, then it's ''out-the-door buster.''

I hope that today's introduction of this bill, will bring about a nationwide grassroots review of the promises and the realities of NAFTA. It is time that America's body politic understood what America's grassroots already feels—NAFTA is undermining their individual and family security, and clouding future opportunities.

While they have a deep concern about our nation's budget deficits, they are just as concerned with our nation's trade deficits. These trade deficits mean lost jobs, fewer opportunities for our families, and deficits in family budgets.

In closing, I would also like to call attention to an excellent article which was recently published in the Journal of Commerce. Dr. Charles W. McMillion, an economist here in Washington, DC has a compelling message about the reality of NAFTA.

Mr. President, I ask unanimous consent that the article be included in the RECORD.

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

NAFTA: THIS IS SUCCESS?

(By Charles W. McMillion)

It might seem odd that someone would claim to explain the ''reality'' of a global trade relationship without mentioning the net export balance, its composition or change over time. But John Manzella does just that as he shows very little interest in the ''reality'' he claims to present. (Nafta Hasn't Cost America Jobs, October 20)

Manzella asserts that U.S. trade with Mexico under the 1994 Nafta agreement ''continues to deliver, on jobs and more.'' Surely he excludes Mexico from his fantasy, where no one doubts that over one million net jobs have been lost, incomes reduced by 30–50%, the economy in its deepest depression since the 1930s, political and religious leaders murdered and more. . .

But he also does not mention that U.S. net exports to Mexico have been declining since 1992; that the U.S. now faces net export losses to Mexico of well over a billion dollars each month; or that U.S. trade losses to Mexican production are now concentrated in high technology and high value added industries such as electronics and autos.

The fact is that the much celebrated U.S. pre-Nafta surplus of $5.7 billion in net exports to Mexico in 1992 became monthly deficits by the fall of 1994—even before the December, 1994 collapse in Mexico's attempt to maintain its overvalued peso by spending virtually all of its $30 billion in foreign reserves. Now, the peso is supported by $30 billion of ''loans,'' mostly from unwilling U.S. taxpayers. And still the global markets are rapidly devaluing the peso as they have done for the past 20 years. U.S. net export losses to Mexico will reach about −$16 in 1995.

Manzella falsely claims that those of us who understand the lunacy of Nafta do not mention U.S. exports to Mexico. In fact, we tediously detail those exports. Most are component parts contracted out for further manufacture in Mexico and re-exported back into the U.S. According to the Government of Mexico, these parts now account for 81% of Mexico's global imports, up from 72% last year, and perhaps 90% of US-made exports to Mexico, up from 75% last year.

Since contracting out work to Mexico is even cheaper now with the peso at market rates, it is not surprising that exports of components to Mexico have continued to rise in 1995. The small fraction of exports of capital goods to Mexico have fallen by −32% as construction of anything other than export platforms has all but collapsed. The almost insignificant export of global consumer goods to Mexico has plunged by −41.5%—far more for any goods made in the U.S.

Exports are usually considered to ''create'' jobs because making additional goods in the U.S. to sell as exports—a car or a computer—requires hiring additional U.S. labor. However, most U.S. exports of components to Mexico do not represent new production but merely the contracting out of work previously done in New York, Pennsylvania or elsewhere in the U.S. It is therefore quite likely that even so-called U.S. ''exports'' to Mexico displace far more U.S. jobs than they create.

Manzella claims that the contracting out of component parts to Mexico is a clever government strategy to counter ''fierce competition from Asia and Europe.'' Yet, even with the dollar far weaker in Asia and Europe than ever before in history, U.S. trade losses have skyrocketed faster and higher than ever before. Net export losses for U.S. manufacturing alone soared from −$66 billion in 1992 to a record −$159 billion in 1994, and perhaps −$200 billion in 1995.

In the first eight months of 1995, Mexico has a trade surplus of $10 billion with the U.S. but a trade deficit of −$5.5 billion with Asia, Europe and the rest of the world.

Clearly, increased production by multinational corporations in Mexico is not displacing production and jobs in Asia and Europe but in Mexico and in the U.S.

Manzella's belief that declining net exports under Nafta have created U.S. jobs is based not only on his ignorance of the nature of U.S. exports to Mexico, but also on his strange view that imports do not displace jobs. (Although he discredits his own strange view by noting that ''. . . more U.S. jobs and production stay at home'' when imports have some U.S.-made content.)

When producers in the U.S. lose sales to imports they are forced to produce less and to eliminate jobs. It is unfortunate that Manzella, as many politicians, has not yet learned this basic fact of business life. But it should not confuse any serious analysis of recent U.S./Mexico trade.

The most recent Department of Commerce calculus is that $1 billion of production supports 16,000 jobs. This would suggest that the U.S. net export loss of about −$16 billion to Mexican production in 1995 would displace over 250,000 jobs. But since most of the $40 billion in U.S. exports to Mexico is not new production but merely contracting out work that was previously done in communities across the U.S., this figure is certainly far too low.

Perhaps even more important is the depressing effect that Nafta has added to the declining purchasing power of U.S. wages. Throughout the economy, workers and their firms have taken further cuts in real pay and benefits to keep their jobs from being contracted out or to lower prices to meet the cycle of reduced demand.

Manzella repeats as fact the claim of embarrassed politicians that Nafta had nothing to do with Mexico's current account and peso crisis last December. Manzella seems to think it was just coincidence that Mexico's external balance became wildly unbalanced immediately after Congress passed fast-track authority for Nafta. Does he believe that after a generation of net capital flight it was coincidence that over $60 billion of hot portfolio ''investment'' poured into Mexico? Was Mexico's flood of imported component parts just coincidence?

In fact, there is no question but that Nafta created the enormous and unsustainable short-term imbalances in Mexico. For the longer term, Nafta's guarantees to foreign investors are devastating local Mexican producers that must now compete against Walmart, Microsoft and Sony's facilities in Mexico but without their access to global capital. This will continue to undermine employment and earnings in Mexico—and therefore consumer demand—for many years to come.

It is a cruel, political joke to suggest that Nafta is protecting U.S. exports contracting out jobs to Mexico. Furthermore, even the net export U.S. trade deficit with Mexico is already far worse than the previous record—$7.7 billion deficit following Mexico's 1982 crisis. The deficit will be twice as severe for the full year.

Finally, Mr. Manzella cites the gain of large numbers of U.S. jobs during business cycles since 1982 to argue that merchandise trade losses do not cause job loss. He seems unaware that while the U.S. population has grown by 30 million since 1982, and 26 million net new jobs have been created, all of these new jobs have been in the non-traded service sector.

Since 1982, the U.S. has accumulated manufacturing trade losses of $1.3 trillion. Far from creating manufacturing jobs to accommodate our growing population and economy, we have 1,300,000 fewer manufacturing jobs today than in 1982.

Contrary to 18th century theory and modern political rhetoric, U.S. trade with Mexico and other low cost export platforms is destroying millions of high wage, highly productive jobs and replacing them with low wage, low productivity service jobs. It is sharply undermining growth and prosperity for all to provide leverage for a very few to capture increasing shares of a slowing global economy.

Manzella and anyone else who considers Nafta a success, for Mexico or for the U.S., should reconsider their priorities. We can do much better. America should lead the international community in an urgent new effort to address today's new, post-Cold War, information-age realities and to provide growth and prosperity for ourselves and the world.●

ADDITIONAL COSPONSORS

S. 44

At the request of Mr. REID, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 44, a bill to amend title 4 of the United States Code to limit State taxation of certain pension income.

S. 978

At the request of Mrs. HUTCHISON, the names of the Senator from Montana [Mr. BAUCUS], the Senator from Alabama [Mr. SHELBY], the Senator from Iowa [Mr. GRASSLEY], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Louisiana [Mr. BREAUX], the Senator from Nevada [Mr. REID], and the Senator from Mississippi [Mr. COCHRAN], were added as cosponsors of S. 978, a bill to facilitate contributions to charitable organizations by codifying certain exemptions from the Federal securities laws, to clarify the inapplicability of antitrust laws to charitable gift annuities, and for other purposes.

S. 1220

At the request of Mr. HARKIN, his name was added as a cosponsor of S. 1220, a bill to provide that Members of Congress shall not be paid during Federal Government shutdowns.

S. 1414

At the request of Mrs. HUTCHISON, the names of the Senator from South Dakota [Mr. PRESSLER], the Senator from Virginia [Mr. WARNER], and the Senator from Pennsylvania [Mr. SANTORUM] were added as cosponsors of S. 1414, a bill to ensure that payments during fiscal year 1996 of compensation for veterans with service-connected disabilities, of dependency and indemnity compensation for survivors of such veterans, and of other veterans benefits are made regardless of Government financial shortfalls.

SENATE RESOLUTION 195—TO HONOR FREDERICK C. BRANCH

Mr. SANTORUM (for himself and Mr. SPECTER) submitted the following resolution; which was referred to the Committee on the Judiciary.

S. RES. 195

Whereas November 10, 1995, marks the 220th anniversary of the founding of the United States Marine Corps;

Whereas November 10, 1995, marks the 50th anniversary of Second Lieutenant Frederick C. Branch becoming the first African American commissioned officer in the United States Marine Corps;

Whereas Second Lieutenant Branch's commissioning has encouraged African Americans and other minorities to become commissioned officers in the United States Marine Corps; and

Whereas Second Lieutenant Branch has dutifully served his country: Now, therefore, be it

Resolved, That the Senate honors Frederick C. Branch on the 50th anniversary of his becoming the first African American commissioned officer in the United States Marine Corps.

Mr. SANTORUM. Mr. President, today I rise with my colleague Senator SPECTER to submit a resolution which pays tribute to Frederick C. Branch, the Marine Corps' first African-American commissioned officer. The fiftieth anniversary of this historic event will be honored tomorrow night in Philadelphia, Pennsylvania. This man's dedication and perseverance paved the way for the some 1,200 African-American Marine Officers serving their country today, 50 years later. I would like to