

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