

Overregulation is particularly difficult for the rural areas of the West, where in our case more than half of the State belongs to the Federal Government. The things we do in our way of life, in our economy, our job creation, is always regulated more than most anywhere else in the country. We are very, very, concerned.

Let me give one example. There are leases, of course, for livestock grazing on Bureau of Land Management lands and on lands of the Forest Service. The leases are renewed regularly. This year, it was decided there had to be a NEPA study—that is supposed to be confined to areas of national concern—for every renewal of a grazing lease. The irrigators have to spend \$100,000 this year to do a NEPA review on their conservation land. The cost of this is paid by you and by me.

Regulatory reform needs to have principles. This bill has them. It has cost-benefit analysis. I think that is a proper and reasonable thing. You and I do that. We make decisions for ourself and our family. We have a cost-benefit analysis, even though it may be informal. A risk assessment—it could be that the last few percentage points are too expensive to be reasonable and common sense. We need a look-back provision so we can go back and take a look at the regulations that now exist. There needs to be a sunset provision so that burdensome laws and burdensome regulations can be dropped or renewed. There needs to be a judicial review. S. 343 incorporates these principles.

I think we have a great opportunity to make better use of the resources that we have, Mr. President, to provide greater protection for human health and safety in the environment at a lower cost and to hold regulators accountable for their decisions. What is wrong with that? I think that is a good idea, to hold the Congress accountable for the kinds of regulations, to limit the size of Government, so that we can create jobs that help consumers improve competitiveness overseas.

We should take advantage of this opportunity. This week will be the time to do it, to be realistic, to apply common sense, to reduce the cost and the burden of regulation. I am delighted that we will have a chance this year, this week, Mr. President, to do that.

I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DORGAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. DORGAN. I ask unanimous consent to proceed for 15 minutes as if in morning business.

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

FEDERAL RESERVE BOARD

Mr. DORGAN. Mr. President, last week the Congress was not in session, but the Federal Reserve Board met downtown in their marble building and took a baby step in rectifying the mistake it made on seven occasions last year when they increased interest rates in order to slow down the American economy.

Last year, the Federal Reserve Board said it was combating inflation in our economy, so it desired to slow down the economy some and prevent a new wave of inflation. Now it appears the Federal Reserve Board has apparently won a fight without a foe. There was no wave of inflation across the horizon.

Last week's announcement to decrease interest rates by one-quarter of 1 percent made the stock market ecstatic. In fact, the Federal Reserve Board acted to ratchet down inflation marginally and the stock market reached record highs.

In fact, if we look at the combination of economic news in the last week or two, it is quite interesting. The Federal Reserve Board says it has won a fight with a foe that did not exist. The stock market reached record highs. And corporate profits are at record levels.

The question would be, if all of those pieces of economic news are so good for the American economy, if this is such wonderful economic news, then why are the Americans so displeased? Why are the American people not dancing in the streets about this economic news? Record profits should mean that businesses are doing well creating jobs, expanding, hiring. Record stock market levels should mean that the experts think the American economy is robust and growing.

The simple answer is the people in this country are not satisfied because this economic news masks an important fact. The American people are not satisfied with this economic news for the same reason that the Federal Reserve Board's actions last year were a mistake. The fact is, and the reason is, we are now living in a global economy.

That means that stellar economic numbers may not translate into economic opportunities here in our country. Surrounding all of the bright economic news that was trumpeted last week, there was one small but critically important fact: American wages are going down.

Yes, corporate profits are at record levels. Yes, the stock market is ringing the bell. Stock market indexes have never been higher in their history. But the fact is, American wage earners, American workers, are doing worse. Investors do better; American workers lose ground. Corporations do better, American wage earners do worse. Wealth holders succeed; working families fail.

There is no economic news that this administration, this Congress, the Federal Reserve Board, the captains of industry, or the investment moguls on

Wall Street can give the American people that will make them feel better about this economy as long as their real wages are declining. Unless and until we stop a 20-year decline in American wages, the American people will not be satisfied.

I always find it interesting that the press trumpets every month the report of how much we consumed. We measure economic health by consumption. But, of course, that is not economic health. It is what you produce that relates to whether you are healthy or not, not what you consume. But we trumpet, every month, all kinds of indices about economic performance and we see nothing—except maybe 2 column inches in the paper once every 6 months—about American wages. Yet every month, the indices show American wages are declining.

Frankly, we have a circumstance today where corporate giants, led by U.S. corporations and followed by their international competitors, are constructing an economic model for the world that worries American workers. They have decided they want to produce where it is cheap and sell back into established marketplaces. That means corporations increasingly produce in Malaysia, Indonesia, Bangladesh, Singapore, Honduras, China—around the world—where they can hire cheap labor, often kids. They can pay dirt-cheap wages, they can dump their pollution in the air and in the water, make their product, and send it back to Pittsburgh for sale.

That strategy of playing the American worker off against 1 or 2 billion others in the world who are willing to work for pennies an hour is a strategy that might well lead to record corporate profits, but it also leads to declining U.S. wages. And that is the economic problem this country has to fix.

The bottom line of economic progress in this country must be, "Are we increasing the standard of living for the American worker?" And the answer today, amidst all of the glory of the wonderful economic news trumpeted every day in recent weeks, is no. The standard living for the average American worker is not advancing. It has been declining.

Our economic strategy for the 50 years following the Second World War was, for the first 25 years, a foreign policy disguised as economic strategy to try to help everybody else. We did that and it was fine. We could afford to do it because we were the biggest and the best and the strongest and the most. And even as we did that we progressed and so did the American worker. But for the last 20 to 25 years it has been different.

Our trade policy is still largely a foreign policy. It does not work to support the interests of our country. And what we see as a result of it is that other countries are growing and advancing and our country, measured by standard

of living—the standard of living experienced by American workers—is not advancing.

The American people are tired of that. They want a change in economic circumstances. And we, one day soon, must have a real, interesting, and thoughtful discussion about these economic policies. Now, more than ever, this country needs a full-scale policy debate about economic strategy and what kind of strategy, including trade strategy and other strategies, results in advancing America's economic interests—not just America's corporate interests, not just America's investors' interests, but the interests of all Americans.

That is a debate we have not had. We did not have it during NAFTA. We did not have it during GATT. You could not have it, in fact. The major newspapers of this country—the Washington Post, the New York Times, the Los Angeles Times, the Wall Street Journal—would not even give you open access to an opportunity to discuss these things. It is interesting, with NAFTA, we counted the column inches on the editorial and op-ed pages “pro” and “anti.” It was 6 to 1 pro-NAFTA, pro-GATT—6 to 1.

These are areas where you ought to expect there to be freedom of speech and open debate. But it is not so. And the economic interests that propel that sort of imbalance in our major newspapers in our country, when we have these kinds of discussions, is the same economic interest that prevents the discussions even from getting any momentum in a Chamber like this. One day soon, I hope, that is going to change. And the sooner the better, if we are interested in providing some satisfaction for American workers whose only interest, it seems to me, is to work hard, have opportunity, and progress with an increased standard of living.

REGULATIONS

Mr. DORGAN. Mr. President, let me turn to the question of regulations. We, on the floor of the Senate, are going to be discussing regulatory reform. It has been of great interest to me to see what has happened on the issue of regulations. It has become a cottage industry, and certainly a political industry, to decide that government is evil, and government regulations are inherently evil, and what we need to do is wage war against government safeguards and standards.

Let me be the first to say that there are some people who propose and write regulations that make no sense at all and that make life difficult for people. That happens sometimes. I realize that. What we ought to do is combat bad regulation and get rid of it. Bad government regulations that do not make any sense and are impossible to comply with—we ought to get rid of them. I understand and accept that.

But I am not one who believes we ought to bring to the floor of the Sen-

ate initiatives that say, “Let's step back from the substantial regulations that made life better in this country for dozens of years.”

We have had fights in many different venues to try to decide: When should we put an end to polluting America's air? How long should we allow America's kids to breathe dirty air because the captains of industry want to make more profit? When should we decide you cannot dump chemicals into our rivers and streams? When should we decide we want environmental safeguards so the Earth we live on is a better place to live?

We made many of those decisions already. We made fundamental decisions about worker safety. We made decisions about the environment. We made decisions about auto safety. Many of those decisions were the right decisions and good decisions. If we bring to the floor of the Senate, under the guise of regulatory reform, proposals that we decide we ought to retreat on the question of whether we want clean air in this country, then we are not thinking very much.

I do not know whether many Members of the U.S. Senate or many of the American people fully understand how far we have come. Do you know, in the past 20 years, we now use twice as much energy in this country as we did 20 years ago and we have less air pollution? We have cleaner air in America today than we did 20 years ago, yet we use twice as much energy.

Why do we have cleaner air? Is it because someone sitting in a corporate board room said, “You know, what I really need to do, as a matter of social conscience, is to stop polluting; what I need to do is build some scrubbers in the stacks so there are fewer pollutants coming out of the stacks and that way I will help children and help people and clean up the air”? Do you think that is why we cleaned up America's air? The job is not done, but do you think that is why America's air is cleaner now than 20 years ago, because the captains of industry in their paneled boardrooms decided to give up profits in exchange for cleaner air?

Not on your life. Not a chance. The reason the air in this country is cleaner than it was 20 years ago is bodies like this made decisions. We said, “Part of the cost of producing anything in this country is also the cost of not polluting. You are going to have to stop polluting. Is it going to cost you money to stop polluting? Yes, it is. And we are sorry about that. But you spend the money and pass it along in the cost of the product, because the fact is we insist that America's air be cleaner. We are tired of degrading America's air, and having men, women, and children breathe dirty air that causes health problems and fouls the Earth we are living on.”

What about water? Do you know now there are fewer lakes and streams with acid rain; that we have fewer acid rain problems, we have cleaner streams,

cleaner lakes in America now than 20 years ago?

Why is that happening? Is it because somebody decided that they would no longer dump their pollutants into the stream? No. It is because the people in this country through their government said we want to stop fouling the streams. We had the Cuyahoga River catch on fire. The Cuyahoga River in Cleveland actually started burning one day. Why did that happen? Because the manufacturers and others in this country were dumping everything into these streams and thought it was fine. It was not fine. We decided as a matter of regulation that it was not fine.

There are some people who say, “Well, that is inconvenient for corporations. It costs too much to comply with all of these. Let us back away on some of these restrictions.”

I want you to know that we are going back a ways. I have told this story before. I am going to tell it again because it is central to this debate. All government regulations are not bad. Some of them are essential to this country's health.

Upton Sinclair wrote the book in the early 1900's in which he investigated the conditions of the meatpacking houses in Chicago. What he discovered in the meatpacking plants of Chicago was a rat problem. And how did they solve the rat problem in a meatpacking plant in Chicago? They put out slices of bread laced with arsenic so the rats could eat the arsenic and die. Then the bread and the arsenic and the rats would all be thrown down the same hole as the meat, and you get your mystery meat at the grocery store. The American people started to understand what was going on in those meatpacking plants, and said, “Wait a second. That is not what we want for ourselves and our kids. It is not healthy.”

The result, of course, was the Federal Government decided to pass legislation saying, We are going to regulate. What would you rather see stamped on the side of a carcass of beef—“U.S. inspected?” Does that give you more confidence? It does for me. It means that carcass of beef had to pass some inspection by somebody who looked at it not with an economic interest, but who looked at it, and said, “Yes. This passes inspection, and it is safe to eat.”

Or do you want the meatpacking plants—the captains of industry in the meatpacking business who in the year 1900 would have been running a plant in which they were trying to poison rats in the same plant and mixing it with their meat? Well, I know who I would choose. I would choose to have a food system in this country that is inspected so the American consumer understands that we are eating safe food.

Let me talk about one other regulation that I am sure is inconvenient. In fact, I was involved with some of these