

So, we have a lot of need among our seniors, and yet the Federal Reserve can so—it just shows me how far away they are from the public that they could actually come up here and say to our seniors, "We want to take \$150 billion from you, but then out of this pocket we're going to put up \$40 billion of your dollars for Mexico." It was appalling to me.

Mr. KLINK. If the gentlewoman would yield, it was my understanding today from the people from the Fed and Treasury that this has been going on for at least a year in Mexico, the bad monetary policy. Is that the gentlewoman's understanding?

Ms. KAPTUR. That is correct.

Mr. KLINK. Yet in 1 year Mexico did not make any attempt to go through a devaluation of the peso. I think the gentlewoman in past discussions has made some wonderful points about the timing of this devaluation.

Ms. KAPTUR. Well, you know it is very interesting, and I think those in the know in Mexico were very aware of what was going to happen, and that is why they took their money out of the country, because the elections in August—the elections in Mexico were in August. So they did not want any problems in the market before August, so they propped up the peso through August. Then we were considering GATT, the General Agreement on Tariffs and Trade, here, and they did not want any trouble in America. So we delayed that vote until we got back after elections in December, so they kept delaying it, and delaying it, and delaying it.

Then Mr. Salinas left office. The new President was sworn in. GATT was finished, and that is when they devalued the peso. But by then their friends knew, the 30 ruling families down there; they had already taken their money out of the country. They bought art to insulate themselves against any currency fluctuations, and Members of this House, and I will put on the record the gentleman from Buffalo, NY [Mr. LAFALCE] because he worked so hard to get currency provisions in the original NAFTA. Nobody tried harder than he did. He educated all of us. He tried to help to make that agreement a stronger agreement to avoid this kind of catastrophe and was unable to finally get provisions in the final agreement. In my estimation he has some aspects of heroism in what he tried to do there, but there were plenty of people that cashed in, and now our people are left holding the bag.

Mr. DEFAZIO. And they are saying we could not have possibly anticipated this.

Well, it is strange. It is strange that we stood on this floor 14 months ago, backed by credible economists who said, "Today, as you vote on the NAFTA agreement the Mexican peso is overvalued by 20 to 25 percent to make them look more attractive as a partner for the United States, to make them look as though their currency is stable. But it's inevitable after the passage of

NAFTA they will have to devalue the peso by 20 to 25 percent."

And now we are told by the Secretary of the Treasury, a former partner in one of the major investment firms in this country, that no one could have anticipated this. Well, the economists we talked to, who gave us a very critical analysis of NAFTA, could certainly anticipate it, did, and we are right on the money. In fact, they were a little bit overly optimistic about Mexico because we are talking the free market says the Mexican peso should actually go down 40 to 50 percent, and whatever happened to free-market forces? Where is the free market when we need it? If the market says the Mexican peso should be worth half as much, should the United States Government intervene to artificially prop it up?

Ms. KAPTUR. Will the gentleman yield on that point because last week I sent the Secretary of the Treasury a letter signed by several of our colleagues, including yourselves, and one of the questions we asked him is: "Because you are artificially propping up the peso because Mexico owes money, to whom does Mexico owe money specifically?" In other words, it can't make \$26 billion worth of debt payments, \$10 billion in this first quarter. Those sound like big numbers. We want to know which banks, which corporations, if it is part of the Eurodollar market, to whom is this money owed? If it is investment banks, speculators in the market, which ones are they? This is not just owed in general. This is owed in specific, and there are huge banking profits this year and last year. They have been doing real, real well. Why do they not have the capacity to eat their own losses? What about these big investment banking houses? The speculators? And I appreciate risk-takers. But that is what risk is. Risk is taking the loss if it does not go your way, and you take the gain if it does go your way.

□ 1830

So which investment houses? I want to know specifically, before we vote here on this floor, who is this \$26 billion owed to? And there is another \$89 billion that Mexico owes payments on for their full public debt. To whom is that owed? You are talking about \$40 billion, Congressman KLINK. There is the first \$18 billion from the currency swap and the line of credit last week. Then there is this \$40 billion. Then there is the \$89 billion that they still owe. Now, to whom is that owed? And why should our taxpayers be propping up those corporations, those megabanks, those multinationals that moved jobs out of this country. I mean, what is the sense of it? If they are making profits and if they have cash, why don't they pay it off themselves? That is what you do, you write off losses.

Mr. KLINK. If the gentlewoman would yield, we are being told this not propping up the peso but that we are

restructuring short-term loans, 30, 60, 90 days, to 5 and 10 years. Why can't that be negotiated with those same people or institutions the gentlewoman is talking about? Why do the American taxpayers have to become a party to this? If we are just taking short-term debt and transferring it over to 5 to 10 years to make it long-term debt, why can't Mexico just renegotiate that with the people to whom it is owed, because certainly renegotiating on longer terms is better than absorbing the loss.

Ms. KAPTUR. I think the gentleman raises a good point. I cannot tell you, with interest rates going up in this country, I have had builders and title people in this country complaining, gosh, there aren't any real inflationary pressures. Why are interest rates going up? I would posit maybe one of the reasons interest rates are going up is because your money is being taken to prop up the bank of another nation.

We thank the Speaker for this time this evening, and I thank Congressman DEFAZIO and Congressman KLINK, Congressman ABERCROMBIE and all those who have joined us this evening.

#### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. EVANS (at the request of Mr. GEPHARDT), for today, on account of a death in the family.

Ms. SLAUGHTER (at the request of Mr. GEPHARDT), for today, on account of illness in the family.

Mr. MCNULTY (at the request of Mr. GEPHARDT), for today, on account of airline cancellation.

Mrs. LINCOLN (at the request of Mr. GEPHARDT), for today, on account of illness.

#### SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. WATT of North Carolina) to revise and extend their remarks and include extraneous material:)

Mr. OWENS, for 5 minutes, today.

Mr. SKAGGS, for 5 minutes, today.

(The following Members (at the request of Mr. THOMAS) to revise and extend their remarks and include extraneous material:)

Mr. MARTINI, for 5 minutes today, and January 18, 19, and 20.

Mr. WELDON of Pennsylvania, for 5 minutes, today.

(The following Member (at her own request) to revise and extend her remarks and include extraneous material:)

Ms. DELAURO, for 5 minutes, today.

(The following Members (at the request of Mr. WATT of North Carolina) to revise and extend their remarks and include extraneous material:)

Mr. MINETA, for 5 minutes, today.

Mrs. COLLINS of Illinois, for 5 minutes, today.

Mrs. LINCOLN, for 5 minutes, today.

Ms. MCCARTHY, for 5 minutes, today.

Ms. JACKSON-LEE, for 5 minutes, today.

(The following Member (at the request of Mr. LEWIS of Kentucky) to revise and extend their remarks and include extraneous material:)

Mr. GOSS, for 5 minutes each day on January 18 and 19.

#### EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(Mr. HOKE, and to include therein extraneous material, notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost \$1,048.50.)

(The following Members (at the request of Mr. WATT of North Carolina) and to include extraneous matter:)

Mr. BERMAN.

Mr. PALLONE in two instances.

Mr. HALL of Ohio.

Mr. SCHUMER.

Mr. GUTIERREZ.

Mr. OWENS.

Mr. ROEMER.

(The following Members (at the request of Mr. THOMAS) and to include extraneous matter:)

Mr. HOKE.

Mr. FAWELL.

Mr. BEREUTER.

Mr. SHUSTER.

(The following Members (at the request of Mr. WATT) and to include extraneous matter:)

Mr. MCDERMOTT.

Mr. COLEMAN.

Mr. DIXON.

Mr. LEVIN.

Mr. CARDIN.

Mr. MFUME.

Mr. UNDERWOOD.

(The following Members (at the request of Mr. DEFAZIO) and to include extraneous matter:)

Mr. MCKEON.

Mr. GOODLING.

Mr. BAKER of California.

Mr. CUNNINGHAM.

Mr. COMBEST.

Mr. RAHALL.

Mrs. SCHROEDER.

Ms. FURSE.

Mr. CAMP.

Mr. STUMP.

Mrs. SEASTRAND.

#### ADJOURNMENT

Mr. DEFAZIO. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly at 6 o'clock and 32 minutes p.m.), the House adjourned until Wednesday, January 18, 1995, at 11 a.m.

#### EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from

the Speaker's table and referred as follows:

168. A letter from the Director, the Office of Management and Budget, transmitting the cumulative report on rescissions and deferrals of budget authority as of January 1, 1995, pursuant to 2 U.S.C. 685(e) (H. Doc. No. 104-19) to the Committee on Appropriations and ordered to be printed.

169. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report involving United States exports to Indonesia, pursuant to 12 U.S.C. 635(b)(3)(i); to the Committee on Banking and Financial Services.

170. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report involving United States exports to Indonesia, pursuant to 12 U.S.C. 635(b)(3)(i); to the Committee on Banking and Financial Services.

171. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report involving United States exports to Russia, pursuant to 12 U.S.C. 635(b)(3)(i); to the Committee on Banking and Financial Services.

172. A letter from the Comptroller General, General Accounting Office, transmitting GAO's compliance report, pursuant to Public Law 101-508, section 13101(a) (104 Stat. 1388-588); to the Committee on the Budget.

173. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on International Relations.

174. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting a corrected certification pursuant to the Cooperative Threat Reduction Act of 1993; to the Committee on International Relations.

175. A letter from the Secretary, Department of Energy, transmitting the annual update of the comprehensive program management plan and the comprehensive technology application and market development plan for the ocean thermal energy conversion technology, pursuant to 42 U.S.C. 9002(d); to the Committee on Science.

176. A letter from the Comptroller General, General Accounting Office, transmitting a report, entitled "U.S.-Canadian Food Safety: Opportunities for Sharing Information and Coordinating Inspections"; jointly, to the Committees on Agriculture and Government Reform and Oversight.

#### PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BAKER of California (for himself, Mr. HOKE, Mr. ROHRBACHER, Mr. FRANK of Massachusetts, and Mr. PARKER):

H.R. 525. A bill to repeal the must-carry provisions of the title VI of the Communications Act of 1934, relating to cable television; to the Committee on Commerce.

By Mr. BEREUTER (for himself and Mr. LAUGHLIN):

H.R. 526. A bill to amend title 49, United States Code, to relieve farmers and retail farm suppliers from limitations on maximum driving and on-duty time in the transportation of agricultural commodities or farm supplies if such transportation occurs within a 100-air mile radius of the source of the commodities or the distribution point for the farm supplies; to the Committee on Transportation and Infrastructure.

By Mr. BERMAN:

H.R. 527. A bill to amend the Tariff Act of 1930 to permit an extension for filing drawback claims in cases where the President has declared a major disaster; to the Committee on Ways and Means.

By Mr. CARDIN (for himself and Mr. SHAW):

H.R. 528. A bill to amend the Internal Revenue Code of 1986 to clarify provisions relating to church pension benefit plans, to modify certain provisions relating to participants in such plans, to reduce the complexity of and to bring workable consistency to the applicable rules, to promote retirement savings and benefits, and for other purposes; to the Committee on Ways and Means.

By Mr. CRAPO:

H.R. 529. A bill to authorize the exchange of National Forest System lands in the Targhee National Forest in Idaho for non-Federal lands within the forest in Wyoming; to the Committee on Resources.

By Mr. GOODLING (for himself, Mr. MCKEON, Mr. GUNDERSON, Mr. HOEKSTRA, Mr. BARRETT of Nebraska, Mr. GORDON, Mr. POMEROY, Mr. PETERSON of Florida, and Mr. STENHOLM):

H.R. 530. A bill to amend the Higher Education Act of 1965 to stabilize the student loan programs, improve congressional oversight, and for other purposes; to the Committee on Economic and Educational Opportunities, and in addition to the Committee on Government Reform and Oversight, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. HANSEN (for himself, Mr. ORTON, and Mrs. WALDHOLTZ):

H.R. 531. A bill to designate the Great Western Scenic Trail as a study trail under the National Trails System Act, and for other purposes; to the Committee on Resources.

By Mr. HERGER:

H.R. 532. A bill to amend the Internal Revenue Code of 1986 to provide an inflation adjustment for the amount of the maximum benefit under the special estate tax valuation rules for certain farm, and so forth, real property; to the Committee on Ways and Means.

By Mr. KNOLLENBERG:

H.R. 533. A bill to amend section 117 of title 17, United States Code, to permit the lawful possessor of a copy of a computer program to authorize another copy to be made under certain circumstances; to the Committee on the Judiciary.

By Mr. KOLBE (for himself, Mr. TORRES, Mr. BLUTE, Mr. TAYLOR of Mississippi, and Ms. LOWEY):

H.R. 534. A bill to provide for the minting and circulation of \$1 coins, and for other purposes; to the Committee on Banking and Financial Services.

By Ms. LINCOLN:

H.R. 535. A bill to direct the Secretary of the Interior to convey the Corning National Fish Hatchery to the State of Arkansas; to the Committee on Resources.

By Mr. McDADE:

H.R. 536. A bill to extend indefinitely the authority of the Secretary of the Interior to collect a commercial operation fee in the Delaware Water Gap National Recreation Area, and for other purposes; to the Committee on Resources.

By Mr. MORAN:

H.R. 537. A bill to amend the Internal Revenue Code of 1986 to index the basis of certain assets acquired on or after January 1, 1995, for purposes of determining gain, and