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House of Representatives

The House met at 10:30 a.m. and was called to order by the Speaker pro tempore [Mr. KIM].

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
May 23, 1995.

I hereby designate the Honorable JAY KIM to act as Speaker pro tempore on this day.

NEWT GINGRICH,

Speaker of the House of Representatives.

MORNING BUSINESS

The SPEAKER pro tempore. Pursuant to the order of the House of May 12, 1995, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning hour debates. The Chair will alternate recognition between the parties, with each party limited to not to exceed 30 minutes, and each Member except the majority and minority leader limited to not to exceed 5 minutes.

The Chair recognizes the gentleman from Oregon [Mr. DEFAZIO] for 5 minutes.

THE TRADE DEFICIT

Mr. DEFAZIO. Mr. Speaker, at the end of last week, we got the first quarter's trade numbers for the United States, with its trading partners. The news was grim. We are continuing to pile up record deficits with virtually all of our trading partners around the world.

As everybody knows, a little earlier this year, in part those record trade deficits led to a plummeting of the value of the United States dollar versus the yen and the German mark. The dollar has recovered a bit but still is at near post-World War II historic lows. A

lot of the responsibility for this has to be put at the doorstep of those who continue to mindlessly follow a trade policy which came to maturity under the leadership of Ronald Reagan in the early 1980's, following the dictates of an economist who has been dead for 200 years, Adam Smith, a man who never saw an airplane, never even saw a steam engine. Yet this man dictates the trade policy of the United States of America.

Only two countries in the world follow Adam Smith's trade theories. We are both international basket cases: the United States of America and Great Britain. In fact Great Britain is the only country, major country we are running a trade surplus with. And it is time to revisit and review these policies. You cannot run a trade deficit every year, year after year, any more than you can run a national deficit every year, year after year without having someday to pay the horrible price. We are paying that price today.

There was a \$160 billion trade deficit last year, according to the Commerce Department. That means we lost 3.2 million American manufacturing jobs. And now the North American Free-Trade Agreement, the latest example of the extension of this disastrous policy, for the first 3 months of this year the United States ran a \$3.8 billion trade deficit with Mexico, at the same time that we had to give them \$20 billion of our hard-earned money to bail out their economy. And this is considered a success. It is such a success that Speaker GINGRICH is calling for an extension of the North American Free-Trade Agreement to other basket case economies in South America and Latin America.

I quote:

Unequivocally, I strongly favor adding Chile to the North American Free-Trade Agreement and then continuing beyond Chile to step by step expanding our regional commitment because it is good for America and

it is going to create more jobs in the United States.

Wrong, Mr. Speaker. We are losing jobs today to Mexico, \$3.8 billion in 3 months according to our own Commerce Department. That means we lost 76,000 United States manufacturing jobs in 3 months to Mexico. We are headed more toward a loss of 250,000 or 300,000 jobs in 1 year to Mexico, and we are paying \$20 billion of taxpayers money for that privilege. And now we want to extend that to Chile and other countries in South and Latin America and we want to do it in such a way that Congress will not be allowed to work its will, will not be allowed a single amendment on the floor of the House.

Why would the Speaker of the House of Representatives want to give away the authority to amend a bill on the floor that has such a dramatic impact on the economy of the United States? Yet that is what he is advocating. He wants to give Bill Clinton, our President, a man who he constantly derides authority to bring forward a bill, negotiated in secret, which will extend these disastrous trade policies with no opportunity for amendment on the floor of the House or the Senate.

Why is he doing this? Because he is serving the same masters, the same masters that have been dictating the trade policy of this country for 20 years. That is multinational corporations, foreign corporations, and big business. They are doing well. They are doing very well, thank you very much.

It just happens to be a disaster for our economy because of the mounting trade deficits. A disaster for American workers because we are exporting their jobs, and now a disaster for the United States Treasury because we are even having to pay Mexico for the privilege of exporting our jobs there. And the Speaker wants to extend that policy because it is such a success.

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.



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He wants to work hand in glove with the Clinton administration in these efforts. I will do all I can as one Member of this House of Representatives to stop this disastrous policy before it is extended any further, in fact, to repeal the past mistakes we have made, including the North American Free-Trade Agreement.

TERM LIMITS

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Nebraska [Mr. CHRISTENSEN] is recognized during morning business for 3 minutes.

Mr. CHRISTENSEN. Mr. Speaker, yesterday the American people witnessed our system of Government in action when our unelected, unrepresentative, life-tenured Supreme Court by 1 vote struck down term-limit laws in 23 States. In an 88-page dissent, Justice Thomas said: "Nothing in the Constitution deprives the people of each state of the power to prescribe eligibility requirements for the candidates who seek to represent them in Congress." The Constitution is silent on this question.

Today's liberal New York Times has an article in here. It says: "Congress Members Off Hook on Re-election."

Wrong. First of all, the author of this article goes on to state: "By nullifying term limits imposed by the States, the Supreme Court in effect handed each Member of Congress a 'get out of jail free' card."

I guess one thing that we learned is that yesterday's elections do matter. President Clinton, elected by a mere plurality in 1992, appointed two members to this high court that decided they knew best. Both Justice Breyer and Justice Ginsburg said that States do not know right from wrong, that the Supreme Court knows how to set the law better when they voted against 23 States.

Second, people do matter. Last fall the American people sent a clear message that they were tired of business as usual in Washington. They gave the Republicans a majority in this body for the first time in 40 years. This new majority is solidly in favor of term limits. While we are still a few votes shy, in 1996 the American people will give us the votes to enact term limits as the American people want, nearly 78 percent of the American people favoring term limits for their Representatives.

Some have said that term limits are now dead, and I am here to tell you they are dead wrong. Whether it is the McCollum bill that we bring up in 1997, which enacts a 12-year blanket term limit, or whether it is the Hilleary 12-year bill that allows States to have lower term limits, if they so wish, one of them will come to the House under House Resolution 1 as the Speaker has promised.

We are going to work tirelessly until we can enact the will of the people. We are going to pass a constitutional

amendment that will put an end to career politicians once and for all.

MEDICAID

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Illinois [Mr. DURBIN] is recognized during morning business for 5 minutes.

Mr. DURBIN. Mr. Speaker, I would like to share with the people who are listening this morning an experience which I had in my district yesterday which I hope that all of you will reflect on because it is the outgrowth of a vote last week on the floor of this House of Representatives which could have an impact on every family in the United States.

What happened last week is that this House of Representatives passed a budget resolution. That is a spending plan for the next year. In fact, in this case it was a spending plan for the next 7 years. Those who supported that budget resolution, I was not among those, suggested that we could reach a balanced budget by the year 2002 if we have certain cuts in spending. And they proposed those cuts as part of the package.

The reason that I opposed that plan as presented by Speaker GINGRICH and his Republican allies was the fact that it included a substantial tax cut, primarily to the wealthiest people in this country. In order to pay for that tax cut, it cut many of these spending programs more deeply. In fact, the programs that are hit the hardest are the health care programs, Medicare and Medicaid.

What the Republicans have done is to create a piggy bank with cuts in Medicare and Medicaid to pay for their tax cut package. And that is the part that I find objectionable. This is not a solely partisan view, although most Democrats share my point of view. In fact, in the Senate, the Republican leaders there have many misgivings as well as to whether we should be enacting a tax cut in the wake of our need to bring our budget into balance.

But the reason I come to the floor this morning is to reflect on the impact of cuts in Medicare and Medicaid. As I look about the gallery here, I see people of varying ages, from youngsters on school trips to those who are clearly retired, perhaps here on a holiday or vacation to witness this House of Representatives and its proceedings. The irony is that each person here has an interest in this issue because it affects every single one of us.

Let me explain. Right now the Medicaid Program in America is generally viewed as a welfare program. It is not a welfare program. It is a health care program. A third of the recipients under the Medicaid Program are, in fact, poor people receiving health care through it. But another third are disabled people, folks who because of mental or physical disability qualify for this Medicaid to pay their medical

bills. And the final third represent people, our parents, grandparents who are in nursing homes and other facilities who do not have the resources left in their savings accounts to take care of themselves.

So when you say we are going to cut Medicaid, you are not just hitting so-called welfare low-income families; you are also hitting the elderly and the disabled.

As I went and visited nursing homes in my district yesterday, it was an eye opener to talk about what it will mean if the Republicans prevail and cut \$188 billion out of Medicaid. It means less money coming from the Federal Government through these families into nursing home care.

What will be the ultimate result of that? Well, I can tell you, it is not very promising; what is involved here, unfortunately, is that a lot of people in nursing homes today literally, literally survive because of Medicaid payments. If those payments are cut, it raises a serious question about what happens to these people.

I guess even equally important for the younger folks in the audience here, the responsibility is then their family's. If the Government does not make an adequate payment to the nursing home, who then is going to pay the bill for the parent or grandparent there who needs a helping hand?

This, I think, is a serious personal concern for all of us. Right now Medicaid pays one-half of all nursing home care in the United States. If we take that and put it in perspective, when we cut back in Medicaid, we are putting a real burden on an industry that is labor intensive, and frankly we want to do a very good quality job. If they cut back in the quality of service, every single one of us is concerned that that elderly person who needs help the most will be put in a perilous situation.

So that is why I opposed the Republican budget resolution. Let me say in a spirit at this time of bipartisanship, there are some things I think we can do that came out of a meeting yesterday. For one thing, we have to encourage more people to buy what is known as long-term care insurance. When you are my age or younger, you do not think about whether you are ever going to be in a nursing home, but frankly we have all got to be thinking about the possibility that that could happen some day and we may need insurance coverage to protect us.

We have got to encourage more American families to build this into their health insurance portfolio, not just the insurance for hospitals and doctors but also for long-term care. I will be working on legislation to try to encourage families to do that, to perhaps provide a tax deduction to provide for long-term care insurance as a solution to part of this problem.