

enough money for meat or chicken," she says.

About the best Nafta has done so far is to limit the impact of the Mexican crisis on the U.S., while offering Mexico a chance to export its way out of trouble. During the last crisis in 1982, U.S. border communities were crippled as Mexico sharply raised tariffs and restricted imports. This time, Mexico kept tariffs at Nafta-reduced levels and pushed exports.

In Brownsville, retailers complain that few Mexicans can afford to shop there for clothes and electronics anymore. But Brownsville's port, which serves the industrial hub of Monterrey, is booming. Cranes load five-foot-high coils of steel into the black-hulled "Sunny Success," bound for Italy. Port managers lobby for a new bridge to ease border transport. Local unemployment remains distressingly high, around 11%, but it hasn't surged, as in 1982.

However, Nafta has failed to deliver on the biggest White House promise: creating U.S. jobs.

During the Nafta debate, Fortune 500 companies forecast job gains, which now look foolishly naive, Johnson & Johnson says it can't locate the person who in 1993 forecast "800 more U.S. positions" as a result of Nafta. "If there is job growth, I don't think that's because of Nafta," says a spokesman.

Some big-time exporters do report gains, General Electric Co. says sales of power equipment and locomotives are up, as Mexico upgrades its infrastructure. But the company notes carefully that this work "isn't creating jobs, it's supporting jobs." In other words, Nafta makes it less likely that GE will have to lay off workers.

#### SPECIAL NAFTA MATH

U.S. Trade Representative Mickey Kantor gamely argues that Nafta "created a huge number of net jobs." But he needs special Nafta math to do so. He counts just export growth—not jobs lost through imports—and adds in Canada. Mr. Clinton only cited trade with Mexico in his job-growth prediction, and for good reason. Canada's free-trade agreement with the U.S. dates to 1989; Nafta barely affected their trade relations.

Gary Hufbauer, an economist at the Institute for International Economics whose predictions of Nafta job gains were embraced by the Clinton and Bush White Houses, now figures the surging trade deficit with Mexico has cost the U.S. 225,000 jobs. But such estimates are suspect, too. With the U.S. economy near what's considered to be full employment, it's difficult to know how many workers actually lost jobs as a result of Nafta and whether they found new ones quickly. The Labor Department has certified only 21,500 workers for special unemployment benefits because they lost their jobs as a result of trade with Mexico.

The Clinton administration pins much blame for missed promises on the peso's collapse last December, when Mexico ran out of dollars to support it. The country had become to dependent on short-term borrowing to finance imports and didn't recognize enough that it had to devalue.

Some economists say Nafta helped cause delay. It let Mexico see itself as part of the industrial elite, a self-image reinforced when it joined the rich-nation Organization for Economic Cooperation and Development. In August 1994, an internal U.S. Treasury analysis found the peso overvalued by 10%, but noted Mexico didn't agree because it expected a Nafta surge.

Optimists contend the Mexican economy will start growing soon. Yet the peso mess and ensuing recession have pushed the benefits far into the future. "If people notice anything with Nafta, they notice more traffic because there's more trade," says Alfredo

Phillips, who runs a border development bank, "Expected improvements haven't occurred." He then adds a new prediction: "We expect we'll see them next year."

The SPEAKER pro tempore (Ms. PRYCE). Under a previous order of the House, the gentlewoman from Florida [Ms. ROS-LEHTINEN] is recognized for 5 minutes.

[Ms. ROS-LEHTINEN addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.]

#### MORE ON FOREIGN OPERATIONS APPROPRIATIONS ARMS TO PAKISTAN PROVISION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey [Mr. PALLONE] is recognized for 5 minutes.

Mr. PALLONE. Madam Speaker, I just wanted to talk a bit about the conference report on the foreign operations appropriations bill which was passed just in the last hour or so. As I mentioned on the floor, it is sort of a mixed bag. I supported the bill because I think overall it is a good bill. But there are some good and bad items in it.

I want to talk about one good aspect and one bad aspect, if I could in the time that I have allotted this evening.

First of all, I was very pleased to see that the conferees actually reduced the amount of economic assistance to Turkey. Last year Turkey received \$45 million in United States economic support. This year it will be down to \$33.5 million, significantly less than the \$100 million that was requested by the administration. I think in large part that is due to the efforts of Congressman JOHN PORTER from Illinois and the amendment that he had successfully adopted on the House floor back in June, which was supported by myself and others.

That amendment basically pointed out that Turkey has been involved in a number of issues that are detrimental both to the United States and to a lot of other ethnic groups as well as other countries in its vicinity.

First of all, the reduction in aid, I believe, clearly recognizes the unlawful blockade by Turkey of Armenia. It also recognizes the treatment that Turkey has been giving to the Kurds, an ethnic minority within its borders and even beyond its borders. Turkey has been systematically annihilating Kurds, tearing down, burning burning villages. In the conference report specific reference is made to one of my constituents, a U.S. citizen by the name of Aliza Marcus, who is a Reuters journalist and a New Jersey resident who is being tried in Turkey on charges of provoking racial hatred for reporting on the Turkish military's forced evacuation and destruction of villages in southeastern Turkey. The conferees say they expect that the Government of Turkey will protect freedom of expression and information by interced-

ing with the military-sponsored state security courts on behalf of Aliza Marcus. This woman has done nothing more than do her job and now she is being tried in Turkish courts.

In addition to that, I believe the reduction in aid to Turkey recognizes that Turkish intransigence on the Cyprus issue. I believe very strongly that Cyprus should be reunited, that the Turkish military should pull out and, in fact, the conference report specifically earmarks \$15 million for Cyprus among other things aimed at reunification of that island. So I believe that our efforts on behalf of both Armenia, the Kurds and the Cypriots to point out that Turkey really is no ally of the United States is clearly reflected in the conference report.

I am concerned, though, and I did want to express my concern, that the conference report does include the Senate language which permit the transfer of seized military equipment to the Government of Pakistan. This provision was not part of the House-passed bill, and I regret that this ill-advised and dangerous provision is in the conference report. During the conference I was joined by 40 of my House colleagues from both sides of the aisle in writing to the conferees urging that they not recede to the Senate provision with regard to the arms sales to Pakistan.

As we noted in our letter to the conferees, during the last decade Pakistan was the third largest recipient of United States military assistance. Pakistan asked for the help of the United States in becoming conventionally strong militarily and, in exchange, promised not to develop nuclear weapons. But by 1985, United States intelligence had strong evidence that Pakistan was taking United States arms while going back on its word about developing nuclear capability.

In response to Pakistan's confirmed assurances in 1985, the Congress enacted the Pressler amendment to allow Pakistan to continue to receive United States assistance so long as the President could annually certify that Pakistan does not have a nuclear device. But in 1985, after passage of the Pressler amendment, Pakistan contracted for the delivery of 68 F-16 fighters and other military equipment totaling \$2.6 billion.

In 1990, Pakistan had received 40 of the 68 planes and a considerable amount of other equipment had been delivered when President Bush was forced by overwhelming evidence to find that Pakistan had the bomb. The Pressler amendment was invoked ending all military assistance, including weapons contracted and paid for.

Unfortunately, this provision, which is in the conference report, would essentially take away the strong force of the Pressler amendment and allow significant amount of these arms sales to take place and be transferred to Pakistan. I think that that is unfortunate.

It violates the Pressler amendment, and it contributes extensively to more instability in Southeast Asia.

Overall though the conference report is a good report and that is why I supported it.

#### AMERICAN PEOPLE ARE BEING MISLED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee [Mr. DUNCAN] is recognized for 5 minutes.

Mr. DUNCAN. Madam Speaker, this House voted last week and the week before for a huge increase in spending on Medicare.

I repeat—we voted for and passed legislation providing for a huge increase in Medicare.

In fact, federal spending overall will go up by many billions every year under the budgets passed by both the House and the Senate. James K. Glasman, the Washington Post columnist, referred to it as the "no-cut budget." These budgets simply attempt to slow the growth in federal spending to about 3 percent a year.

When you are spending in the range of \$1.6 trillion to more than \$2 trillion during the 7 years of this plan, a 3 percent increase is \$50 to \$60 billion a year.

That is billion with a B—and even one billion dollars is a lot of money—and these budgets—the Republican budgets—will increase Federal spending \$50 to \$60 billion every year.

We voted for a huge increase in spending on Medicare—about 7½ percent a year—more than twice the rate of inflation.

Yet all we hear about are cuts—cuts—cuts.

We are told that these mega-billion dollar increases are draconian cuts.

Why—well the main reason is that the Federal bureaucrats who got 15 to 20 percent increases routinely for so many years really feel that 2 or 3 percent increases are cuts.

The first Reagan budget—fiscal 1982—was \$581 billion. We almost triple that figure now—an almost 300 percent increase in just 15 years.

I don't think anyone believes that we can sit back and let Federal spending keep exploding like it has without having a major economic crash a few years down the road.

Yet the American people are being misled when they are being told about all these so called cuts. A very false impression is being created.

In fact, I have been in and around politics since I was a small boy, and I do not believe I have ever seen the lies, the distortions, the propaganda, that we have now.

Let me give just a couple of examples. Bruce Babbitt, the Secretary of the Interior, has become the most blatantly political Secretary in the history of the Department.

He has been going all over the country attacking Republicans even at one time using extremist rhetoric compar-

ing us to the Japanese and their sneak attack at Pearl Harbor.

He came to my area of east Tennessee and said Republicans were gutting the national parks, and he has been quoted as saying that there is some sort of Republican hit list to close as many as 200 parks.

What are the facts. Well, last week, National Park Service Director Roger Kennedy admitted under oath that he knew of no such list and no plan to close any parks.

Because of Secretary Babbitt, and because of an incomplete job by reporters, people in my area think the Great Smoky Mountains have been cut.

Well, the truth is that spending on the Great Smokies has gone up from \$6.5 to \$10.3 million in the last 10 years—and increases of 64 percent, about twice the rate of inflation over that period.

Another increase, a little over 2 percent is scheduled for this fiscal year. Now I wish we could get more, but the point is that there have been no cuts, and in fact, national park spending has gone way up over the past 10 or 15 years.

Another example—and there are hundreds—former Speaker Foley said on the PBS national news Friday night that Republicans had cut the earned income tax credit. Once again—not so.

The earned income tax credit cost this country \$1.3 billion in 1975; \$2.5 billion in 1985. Then it began exploding. We are now spending \$23 billion each year on this program, and it goes to over \$27 billion under the Republican budget—once again—no cut, and in fact a several billion dollar increase. Another example—spending on student loans go up from \$24 to \$36 billion—yet some are calling this a cut.

Most of this outcry about cuts is coming from bureaucrats or fat cat Federal contractors who are having to justify their spending or show the results for the first time in many years—if ever.

And it turns out that most of this spending is doing little good for the intended beneficiaries and instead is really benefiting only bureaucrats or government contractors.

One example, and once again—there are hundreds—the Job Corps Program—again a program that is not—repeat—not being cut.

Counting all costs, we are now spending \$25,000 per year per Job Corps student. If we told one of these students that we were spending this much on them, they would be shocked.

Fifty percent drop out in the first 6 months. Seven months is the average stay. Only 12 percent end up in jobs for which they were trained.

We could give each of these students a \$1,000-a-month allowance, send them to an expensive private school and still save money. They would probably think they had died and gone to heaven.

Who really benefits from this billion plus program—once again the bureaucrats and few politically connected Federal contractors.

There are two points here Madam Speaker. One is Federal spending is not being cut, and for one specific program—Medicare—we have voted to give it huge increases.

The second point, when you hear about cuts, ask two questions. Who is screaming about the cuts—it is almost always some bureaucrat who is working for the program or some contractor who is making money off of it.

The second question—ask them specifically how much they got under the first Reagan budget 15 years ago and how much will they get during this fiscal year. With very few exceptions, you will find that almost every Federal department, agency, or program has received huge increases since that time.

Ask questions—don't be deceived.

#### BREAST CANCER AWARENESS MONTH

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York [Mrs. MALONEY] is recognized for 5 minutes.

Mrs. MALONEY. Madam Speaker, I rise tonight, the last day of Breast Cancer Awareness Month, to ensure that our attention to the elimination of breast cancer will continue, because one month of awareness is not enough, when over 47,000 women will die this year from breast cancer.

Our messages this evening are now without hope. In the last few years we have made substantial progress on breast cancer research, diagnosis and treatment. The gains regarding breast cancer are considerable. In this year's budget alone, well over \$400 million is dedicated to breast cancer research.

□ 1900

Mammograms have decreased the death rate from breast cancer for women over 50 by 30 percent. Unfortunately the losses relating to breast cancer continue to rise and compel us to continue our battle.

In 1983, Madam Speaker, the odds of a woman developing breast cancer were 1 in 10. Today they are 1 in 8. This year there will be 182,000 new cases diagnosed. In New York City alone approximately 8,500 cases of breast cancer will be reported this year, and in the decade of the 1990's, Madam Speaker, estimates say that 1.5 million cases of breast cancer will be diagnosed and nearly 500,000 women will die of this disease.

Unfortunately an amendment to the Medicare legislation that would have expanded Medicare to fully cover annual mammograms for Medicare beneficiaries over the age of 49 failed. This denial of services is yet another reason the President must veto the Reconciliation Act and negotiate to have this AMA-approved coverage put back in. Obviously in the interest of all women's lives we need to cut our losses and increase our gains in breast cancer