

taxpayers and the most dubious in their results. I did not say that. That is the letter sent by the Americans for Tax Reform group.

Taxpayer group after taxpayer group sends us letters urging us to revise and overhaul this long-overdue, complicated, foreign bureaucracy we have.

This is what we have, how complicated it is. Even Dr. Henry Kissinger says that the Agency for International Development is among the worst agencies he has ever seen. It is that bad.

By making common sense from this complicated bureaucratic system we have in controlling foreign aid, changing to this, under our new bill, from year to year, we can save \$1.8 billion.

That is why we support this bill today. I urge my colleagues to support this.

MEDICARE CUTS TO MISSOURI RURAL HOSPITALS PAY FOR TAX BREAKS FOR WEALTHY

(Mr. VOLKMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VOLKMER. Mr. Speaker, it is flimflam time in the U.S. House of Representatives again. What do I mean by that? When we passed the budget, the Republican budget calls for huge cuts in Medicare in order to give tax breaks for the wealthy.

But when the Republican Members went back home, they said, "No, we're not making big cuts in Medicare. We're strengthening Medicare. We're improving Medicare."

Well, I went home and I talked to my hospital administrators, three of them, including one in my hometown. On Friday, I will be visiting three more rural hospitals.

What did they say? They did not say that Republican budget cuts in Medicare will improve Medicare, will strengthen Medicare. No. In my regional hospital at Hannibal, MO, by the year 2002, a loss of \$1.5 million a year in cuts—\$1.5 million jeopardizes my hospital.

What about Moberly Regional, \$1 million in lost revenue. Audrain County Medicare, \$1 million in lost revenue, jeopardizing rural hospital care with those Medicare cuts to give tax breaks for the wealthy.

WIDE GRASSROOTS SUPPORT CITED FOR PASSAGE OF AMERICAN OVERSEAS INTERESTS ACT

(Mr. GILMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GILMAN. Mr. Speaker, later today the House will resume work on H.R. 1561—the American Overseas Interests Act. It recognizes that the cold war is over by proposing the most important and comprehensive reform and reorganization of our foreign affairs activities in nearly 50 years.

Our legislation rolls up three independent cold war agencies and cuts spending by \$3 billion over 2 years. While the administration threatens to veto our bill, a broad array of grassroots organizations supports it, including citizens against Government Waste, the National Taxpayers Union Foundation, the Association of Concerned Taxpayers, and the Eagle Forum, to name just a few.

Mr. Speaker, H.R. 1561 offers an opportunity to streamline and downsize the Federal Government and cut spending while continuing to project American influence and power around the world in a cost-effective manner.

Accordingly, I urge my colleagues to support the American Overseas Interests Act on final passage.

MEDICARE CUTS THREATEN HOSPITALS IN SMALL-TOWN AMERICA

(Mr. DURBIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DURBIN. Mr. Speaker, if you have ever gotten into your car in the middle of the night to drive a critically injured or critically ill person to the hospital, you know that every minute seems like an hour. You pray to God that you will get to that hospital in time to save the life of someone you love very much.

That is what the debate on the floor or the House of Representatives is all about when we talk about the future of Medicare. Because if the Republicans have their way and cut \$282 billion out of Medicare over the next several years to fund a tax break for wealthy Americans, we are going to see hospitals closing in America, particularly in my part of the world in small-town America. It will mean for a lot of people a much longer drive in the middle of the night, many more prayers, and a lot more hope that they will make it in time.

Is this the Republican vision of America which people voted for last November? I don't think so. I hope the Gingrich Republicans will abandon this tax cut program that they have put forward and will instead focus on really strengthening Medicare instead of the cuts that they are proposing which will close hospitals across the United States.

□ 1240

A MODIFIED FLAT TAX PROPOSAL CALLED MCFLAT

(Mr. SOUDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SOUDER. Mr. Speaker, I favor tax cuts for the American families. I believe American families can do more for themselves than the Government.

Mr. Speaker, the American people devote 5.4 billion hours and \$232 billion

every year to comply with the United States Tax Code. Furthermore, billions of dollars are then spent by the IRS to administer and enforce these tax laws. To reform this unwieldy system, our majority leader, Congressman DICK ARMEY has put forward a flat tax proposal that can simplify our system and provide a new contract with the American people.

We have all heard the phrase "you deserve a break today" and now I want to help put those words into action. Today I will be introducing a modified flat tax proposal called McFlat. the "m" stands for mortgage and the "c" stands for charitable. McFlat incorporates the meat of Congressman ARMEY's flat tax along with deductions for mortgage interest and charitable contributions.

McFlat can provide the arches, so to speak, between those that want a simpler and fairer system and those of us who feel that it is essential to retain deductions for homes, churches, and charities. McFlat is the simple and fair way to revolutionize the American Tax Code.

THE NEED FOR THE APPOINTMENT OF AN OUTSIDE COUNSEL

(Mr. BONIOR asked and was given permission to address the House for 1 minute.)

Mr. BONIOR. Mr. Speaker, when is NEWT GINGRICH going to learn that he is not above the rules of this House?

Earlier this year, Mr. GINGRICH announced he would not sign his \$4.5 million book deal until the Ethics Committee approved it. But now he has changed his mind.

Even though the book is still under investigation, not only has Mr. GINGRICH signed the book deal, he has embarked on a Rupert Murdoch-financed book tour to hawk his book.

At a time when the American taxpayers will be paying his salary, Mr. GINGRICH is going to be on the road promoting a book that will make him a multimillionaire.

Mr. GINGRICH's lawyers said that since there has been no ruling, they just assumed that no rules have been broken. The Ethics Committee issued a strong rebuke: "You should make no such assumption."

Mr. Speaker, no Member of this House is above the rules, not even the Speaker.

The only way we are going to get to the bottom of this case is to appoint an outside counsel to investigate.

THE UNITED STATES-JAPAN AUTO DISPUTE

(Ms. KAPTUR asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. KAPTUR. Mr. Speaker, what is wrong with this picture? Regardless of the yen-dollar exchange rate, United States market share of the Japanese

auto and auto part market has remained flat for nearly two decades. As a matter of fact, the import share for all foreign manufacturers in Japan has remained stuck at 4.6 percent for autos and 2.6 percent for auto parts.

The gigantic United States automotive deficit with Japan defies all economic rationale. In 1985, when the yen was 240 to the dollar, the United States had an automotive deficit with Japan of \$23.9 billion. Now, with the yen hovering around 80 to the dollar—a 300-percent decrease in the dollar's value against the yen—our automotive trade deficit is on track to break last year's record of \$37 billion.

As this chart shows, the facts are on our side. The United States has a trade surplus in the automotive sector with the rest of the world. Isn't it time for Japan to play fair?

THE OVERSEAS INTERESTS ACT

(Mr. CHRYSLER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CHRYSLER. Mr. Speaker, the reason we do not sell cars in Japan is because we do not build right-hand drive cars in this country, and for no other reason.

Mr. Speaker, today and tomorrow the House will debate the Overseas Interests Act. This bill cuts foreign aid and ends the status quo of the bloated foreign aid bureaucracy.

The American people, by very lopsided majorities, have expressed their desire to make these cuts. But unfortunately, the liberal Democrats in the White House and in Congress stand in the way. Liberals oppose any cut in the Federal bureaucracy and are wedded to the old Washington ways. They refuse to see that out-of-control Government is causing deficits and debt. If we do not cut the growth of Washington, our children will be saddled with unimaginable debt and unimaginable taxation.

The Overseas Interest Act addresses these concerns. It will cut foreign aid and the bureaucracies that attempt to globally redistribute the hard-earned tax dollars of ordinary Americans. Republicans realize that we can no longer base our policies on waste, fraud, and ever-expanding bureaucracies. Instead, we must insure that the interests of Americans are served, and not just those of the Federal Government.

MORE ON THE UNITED STATES-JAPAN AUTO DISPUTE

(Mr. WISE asked and was given permission to address the House for 1 minute.)

Mr. WISE. Mr. Speaker, I would yield to the gentlewoman from Ohio [Ms. KAPTUR].

Ms. KAPTUR. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, in referring to what the previous speaker said, he made an untrue statement. United States manu-

facturers manufacture 60 different models of right-hand drive vehicles both in this country and around the world, and for a Member from the State of Michigan to speak out against the United States, and we are hemorrhaging in terms of these trade deficits with Japan for over two decades, I think is unconscionable.

I thank the gentleman for yielding.

Mr. WISE. Mr. Speaker, in conclusion, dealing with the other part of the gentleman's remarks, I think it ought to be pointed out what the President is budgeting are those who would almost eliminate the Safe Schools Act, the Drug Free Schools Act, eliminate, almost eliminate, summer youth programs, all of which has been funded, in line with the budget, a budget, I might add, cutting the deficit one-half in relation to our gross domestic product over what it was a few years ago, a budget which will mean the third straight year of deficit reduction, the first time that has happened since Harry Truman.

THE NATION'S MALL

(Mr. GOSS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GOSS. Mr. Speaker, the Nation's Capital is famed for its parks and wide open spaces. The Mall, the area between this Capitol and the Lincoln Memorial, is one of the most venerable and most visited of our alabaster city's sights and all Americans have a right to enjoy it. Of course, we have to ensure that one set of rights does not outweigh another. Today, a walk down The Mall suggests that we have lost our balance on that score. Simply put, large parts of The Mall have become a disorderly tourist trinket bazaar. This famous open space has become haven to countless unsightly, makeshift tables and weather covers from which temporary vendors push their merchandise in an atmosphere of cacophony and hustle. Those vendors, it seems, secured U.S. Park Service permits under their first amendment rights. As an ardent defender of the Constitution and its amendments, I certainly support the right to free speech. But Americans also have a right to and an expectation of unobstructed, safe, and peaceful use of their national parks. Especially one with such majestic monuments. I hope we can restore some balance and find a more suitable spot to relocate the tourist merchants while there is still summer ahead to enjoy The Mall peacefully.

THE ADMINISTRATION IS REDUCING BUREAUCRACY

(Mr. HOYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HOYER. Mr. Speaker, although I had not intended to include this, let me say "amen" to the remarks of the gentleman from Florida. He is absolutely right. We ought to get a handle on that.

The gentleman from Michigan who preceded him was absolutely wrong, however. He talks about reducing bureaucracy.

This administration, ladies and gentlemen, has reduced bureaucracy by 272,000 over the next 6 years, actually the next 4 years. We have already reduced over 100,000 Federal employees. This administration, contrary to the previous two administrations, is not just talking about it, and has saved \$30 billion in Federal expenses, which is funding the crime bill.

Whether you take the 1994 Crime Act, which I think was a smart and tough crime act, or the crime act that passed this House, both relied on the reductions in Federal employees that this administration, in its reinvention of Government, of doing more with less, has led and the Congress has supported.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore (Mr. RIGGS) laid before the House the following communication from the Clerk of the House of Representatives:

OFFICE OF THE CLERK,
HOUSE OF REPRESENTATIVES,
Washington, DC, June 7, 1995.

Hon. NEWT GINGRICH,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 5 of Rule III of the Rules of the U.S. House of Representatives, I have the honor to transmit a sealed envelope received from the White House on Tuesday, June 6, 1995 at 2:45 p.m. and said to contain a message from the President whereby he transmits a report on the activities of the United States Government relating to the prevention of nuclear proliferation for calendar year 1994.

With warm regards,

ROBIN H. CARLE,
Clerk.

ACTIVITIES OF THE U.S. GOVERNMENT RELATING TO PREVENTION OF NUCLEAR PROLIFERATION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on International Relations.

To the Congress of the United States:

As required under section 601(a) of the Nuclear Non-Proliferation Act of 1978 (Public Law 95-242; 22 U.S.C. 3281(a)), I am transmitting a report on