

slightest bearing on any public decision at the local level, the State level, the Federal level, the county level; anything imaginable would be swept under these mindless restrictions.

It is the most dangerous Orwellian, McCarthyite proposal we have seen in a long time.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Ms. KAPTUR] is recognized for 5 minutes.

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

UNITED STATES ASSISTING FRENCH NUCLEAR TESTING IN THE PACIFIC?

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

Mr. FALEOMAVAEGA. Mr. Speaker, on Sunday, October 1, 1995, France detonated a second nuclear bomb in the South Pacific, thumbing its nose at over 150 nations that have called for France to stop its reckless and irresponsible behavior.

I find it deplorable that France, which exploded a 110 kiloton blast, seven times more destructive than the bomb that devastated Hiroshima, is again showing the world that, in the name of national interest, it is more than willing to reopen the global arms race while encouraging nuclear proliferation.

Mr. Speaker, I also find it deplorable that while the United States has gone on record as opposing France's resumption of nuclear testing and called for its end, our Government may in fact be in complicity with French President Chirac's decision to explode eight more nuclear bombs in the South Pacific.

On this subject, I would recommend to our colleagues and the public an excellent article in the New York Times, September 30, 1995, by Daniel Plesch and Simon Whitby of the British-American Security Information Council.

Mr. Plesch and Whitby note the near universal condemnation of France's resurrection of the nuclear nightmare in the South Pacific, and that despite the outcry, the United States continues to support the tests by allowing France to fly its DC-8 supply planes across the United States on their way to the Pacific. According to the State Department, these planes, which are likely carrying nuclear material, are permitted to stop over on the west coast.

They further state that, "the Clinton administration should prohibit these overflights. This ban might not stop the nuclear tests, but it would slow France's ability to supply and thus operate its Mururoa test site.

Mr. Speaker, this Mururoa atoll where France has exploded nuclear

bombs for the past 30 years, France has now exploded over 168 nuclear bombs on this atoll. This atoll now has probably 10 Chernobyls contained on this Pacific atoll, which is a volcanic formation. If that atoll ever leaks out, I do not know what is going to happen to the 200,000 Polynesian Tahitians living on these islands, let alone the 28 million people who live in the Pacific.

What arrogance, Mr. Speaker, that France has done this to the people of the Pacific region and might even be to the Americans living in the State of Hawaii on the Pacific coast States.

Mr. Speaker, I find it atrocious and the height of hypocrisy if this and other reports in the press are true that our Nation is acting in complicity with France's testing in the Pacific. Permitting French overflights of the United States with aircraft carrying nuclear materials or bomb components bound for France's South Pacific test site clearly undercuts the administration's policy against French testing.

Mr. Speaker—whether the administration is placing the American public at risk with these French nuclear overflights or is covertly supporting France's nuclear testing in the Pacific, I think they owe Members in Congress some answers regarding the extent and detail of U.S. nuclear collaboration with the Government of France. This matter is rife with hypocrisy and should not be kept hidden and secret from the American people.

Moreover, Mr. Speaker, if these French planes are carrying plutonium or other fissile materials, these overflights would be in clear violation of U.S. law without certification clearances from the Nuclear Regulatory Commission and the Department of Energy. For the State Department to merely declare that they don't know what's on board these flights is a travesty.

Mr. Speaker, if the Clinton administration is sincere about nuclear disarmament and opposition to French nuclear testing, it should immediately suspend all nuclear cooperation with France until it acts responsibly by stopping their tests in the Pacific.

The article follows:

[The New York Times, Sept. 30, 1995]

FRANCE'S BOMB, OUR PROBLEM

(By Daniel Plesch and Simon Whitby)

WASHINGTON.—The world has looked on in outrage as France has brought the nuclear nightmare back to the South Pacific. To date, 150 countries have criticized the underground weapons tests at the Mururoa Atoll in French Polynesia that resumed early this month after three years and that are to continue into 1996. Despite the outcry, the United States continues to support the tests by allowing France to fly its DC-8 supply planes across the United States on their way to the Pacific. According to the State Department, these planes, which are likely carrying nuclear material, are permitted to stop over on the West Coast.

The Clinton Administration should prohibit these overflights. This ban might not stop the nuclear tests, but it would slow France's ability to supply and thus operate its Mururoa test site.

State Department officials acknowledge that the French are ferrying military equipment, but they will neither confirm nor deny reports that the planes are carrying nuclear materials.

After the international opposition to the Pacific tests spread last summer, France reversed its long-held position at talks in Geneva on a comprehensive treaty that would ban all nuclear weapons tests. It no longer argues for a loophole that would allow the testing of nuclear weapons with under 500 tons of explosive power.

But France also said it will not agree to a full test ban until after its tests in the Pacific are completed in 1996.

The overflights are only one example of the complex relationship between France and the United States on nuclear weapons. Relations have always been highly secret and have never been subject to Congressional scrutiny.

During World War II, France supplied the Manhattan Project—the development of the atomic bomb—with heavy water that it had taken out of the country ahead of the advancing Nazis.

In the early 1970's, France helped the United States get around provisions of the Partial Test Ban Treaty of 1963. President John F. Kennedy had committed to a ban on above-ground nuclear tests. France, however, had not made such a pledge and continued to explode bombs above Mururoa until 1974. American planes were allowed to fly near the blasts to collect data.

In return for this privilege and for France's practical support for NATO, even though it had withdrawn from the alliance's military command, the United States has given France considerable help in building its nuclear forces.

Experts who are familiar with the arrangement say that this has included assistance for France's work on the neutron bomb, nuclear-warhead components, missile guidance systems and stealth technology for cruise missiles. Today, the United States is reported to be helping France with computer tests of its nuclear stockpile.

President Jacques Chirac has said that these tests are needed to determine if the weapons will work properly. But French officials have acknowledged that the main reason is to gather the data needed to develop new warheads. But they do not acknowledge that the United States is helping them.

France maintains that it has never relied on foreign support to build its nuclear weapons and that it never will. The secrecy around the program has helped France preserve its image as an independent nuclear state—a keystone of its foreign policy.

To undermine this not-so-grand illusion and to stress its opposition to French tests in the Pacific, Congress should insist that the Clinton Administration disclose the details of the American nuclear collaboration with France.

ORDER OF BUSINESS

Mr. DREIER. Mr. Speaker, I ask unanimous consent that the majority leader's hour may precede the minority leader's hour in special orders today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

THE ADVANTAGES OF NAFTA

The SPEAKER pro tempore. Under the Speaker's announced policy of May

12, 1995, the gentleman from California [Mr. DREIER] is recognized for 60 minutes as the designee of the majority leader.

Mr. DREIER. Mr. Speaker, I thank my friend, the gentleman from Texas [Mr. DOGGETT], for agreeing to my unanimous-consent request.

Mr. Speaker, in light of the arrival this week of Mexico's President, Ernest Zedillo, I would like to take a few minutes to talk about a very controversial issue and one which has gotten a great deal of attention over the past several months, and that is the North American Free-Trade Agreement.

We all know there was a very serious crisis which took place last December with devaluation of the peso, and many people have, I believe, mistakenly claimed that the problems that have existed have been because of the North American Free-Trade Agreement. Over the next few minutes I would like to make the case as to why this has not happened because of the North American Free-Trade Agreement.

□ 1600

Quite frankly, I believe that the North American Free-Trade Agreement has been one of those key items which has played a role in actually diminishing the potential negative impact on the economies of both the United States and Mexico, the reason being that the North American Free-Trade Agreement locks in the kinds of economic reforms which heretofore have not existed in Mexico.

A short-term analysis of United States-Mexico economic relations does not do justice to the North American Free-Trade Agreement, which is, and I underscore this, Mr. Speaker, a long-term agreement to promote greater economic efficiency, job creation, and regional economic integration within the Americas.

President Zedillo, as I said, is in town, and in the aftermath of the currency crisis that took place earlier this year, the critics have been out there flooding the intellectual mainstream with anti-NAFTA pollution. NAFTA has lived up to its four major promises.

First, it has increased United States exports beyond where they would be without the lower tariff barriers; it stopped Mexico from raising trade barriers, which cost United States jobs in response to their internal economic difficulties; third, it has helped increase the efficiency and health of many United States companies involved in production sharing to compete with Asian companies; and, fourth, it has provided United States firms with a tangible advantage over competitors from Europe and Asia.

Let me take this issue, because I know many people are concerned about the fact that some jobs have moved from the United States to Mexico. I know you, Mr. Speaker, have suffered greatly in your district, and several others have, but let me lay some facts out.

During NAFTA, we have seen an increase in U.S. exports. In the first year of the North American Free-Trade Agreement, United States-Mexico trade surged at a record pace from \$80 billion in 1993 to \$100 billion in 1994. United States and Mexican exports to the other's markets rose more than 20 percent, or about \$10 billion each. So we have had this increase in the flow of goods and services between the two countries increase to the tune of about \$10 billion each. Even using the most conservative export jobs multiplier, this has created more than 100,000 United States jobs, added to the 700,000 United States jobs already tied to our exports to Mexico.

United States export growth has been temporarily slowed because of Mexico's financial problems. We all acknowledge that. Yet despite the peso crisis, United States exports to Mexico for the first half of 1995 still exceeded the export level they were before the North American Free-Trade Agreement.

Let me say that again. In spite of the peso crisis, we have still seen an increase in our exports to Mexico, and it is at a level above what it was before implementation of the North American Free-Trade Agreement.

NAFTA has helped keep Mexico from raising trade barriers in response to the peso crisis. This is what I was alluding to at the outset. It is a fact that in the past Mexico often responded to their internal economic problems by closing their markets to foreign products. For example, back in 1982 when we saw the major debt crisis exist there, the Mexican Government essentially closed the country to imports from the United States. U.S. exports dropped back in 1982, following their closure, dropped a whopping 50 percent and it took 6 years to recover from their decision to basically close their markets.

Well, this knee jerk protectionist response represented what was clearly very bad Mexican economic policy. It is important to note that shutting out existing U.S. exports cost some Americans their jobs.

With NAFTA, Mexico is legally committed to keeping its market open to United States goods. Let me underscore that again. If it were not for NAFTA, the chance for Mexico to completely close down its market, dropping tremendously our opportunity to export into Mexico, would have been on the horizon. But NAFTA ensured that those things would be locked in.

By preventing a repeat of that protectionist measure that was taken in 1982 by the Mexican Government, we clearly protected literally hundreds of thousands of United States jobs. Rather than pursuing their past knee jerk course of action, namely, closing off their economy, Mexico has responded to financial problems by accelerating the sale of parts of the government-owned railroads, airports, and oil monopoly.

As we talk regularly about decentralization, trying to privatize and deregulate, the Mexican Government, in the wake of their financial crisis, moved toward privatization of sectors of, as I said, the railroad, the oil monopoly, and their airports. With liberalized foreign investment laws, United States companies are also now major players in the Mexican banking and telecommunications industry. We know that that has existed, because many people in the United States have been involved in those areas.

The other point that I raise is NAFTA has promoted production sharing with manufacturing occurring in both the United States and Mexico, which has helped increase the efficiency and the health of many United States companies competing with efficient Asian companies.

One of the major goals of the NAFTA is to spur business partnerships and global competitiveness among the North American countries, among firms in North America. Production partnerships are critical to a growing U.S. job market.

The United States International Trade Commission believes that United States-Mexico production sharing is critical to countering the fierce trade competition which faces this country from Asia and Europe. Goods made in conjunction with operations in Mexico contain much more United States content than similar goods made elsewhere in the world. That means that as more manufacturing is located in low wage countries, a trend that clearly is inevitable, more United States jobs are maintained by sourcing these facilities in Mexico rather than in countries in the Pacific rim. So we need to realize that there is a great benefit to U.S. jobs by sourcing within this hemisphere, rather than on the other side of the world.

Economic theory is one thing, but yesterday's New York Times in an article on the NAFTA described a classic example of production sharing and the complexity of trade's impact on our economy.

Key Tronic Corp. is a large manufacturer of computer keyboards in Spokane, WA. The company faces its stiffest competition from Japanese competitors. We often hear people on this House floor talk about the problems of Japan and the fact that they have access to our markets and yet we do not have access to theirs. So we know there is a great deal of competitiveness that comes from Japan.

That is obviously the case for Key Tronic. This company recently laid off 277 workers who were employed assembling the keyboards for Key Tronic, and they moved those jobs to Mexico.

NAFTA critics hailed this as a great sign that NAFTA has failed, because these 277 jobs failed Spokane and moved to Mexico. The keyboard manufacturing operation in Mexico is clearly more efficient than it is in Spokane. That was a business decision that Key Tronic made.

Due to the increased efficiency of this one aspect of Key Tronic's operations, the company's sales have surged. They have gone way up. The company today is much healthier, because they were able to take advantage of a more efficient operation within this hemisphere, rather than seeing those jobs move to the Pacific rim or other low-wage countries.

The components for the keyboards assembled in Mexico largely come from plants, where? Around Spokane, WA. Due to the increased keyboard sales, those plants have all increased output and employment. The overall employment level in Spokane related to Key Tronic sales is actually up. It is up because they took advantage, because they took advantage of this efficiency that existed in Mexico.

Now, key points from the Key Tronic experience that I think we need to learn, Mr. Speaker, the keyboards are being made more efficiently for lower cost. American computer manufacturers who purchase keyboards will now be able to offer more competitive prices to their consumers. Key Tronic is a healthier company, better able to stand up to Japanese competition. Key Tronic employees in the United States have a better future in a healthier company. Key Tronic suppliers are healthier with better future prospects for them. Their employees are better off.

In the long run it is indefensible to promote trade barriers that intentionally reduce economic efficiency when competitors elsewhere in the world continue to strive for efficient means of production. That is why we need to recognize that free trade is obviously the wave of the future.

Yes, I want to make sure we do not lose U.S. jobs. But I realize as we compete internationally, it is essential for us to continue moving ahead with these partnerships. Trade is a win-win situation and, on balance, will create more opportunity here in the United States.

NAFTA has provided United States firms with a tangible advantage over our competitors from both Europe and Asia. As Robert Paltrow, president of N.A. Communications, an Armonk, NY marketing firm, recently said: "The great sucking sound is not the sucking of our jobs to Mexico. It is the sucking of jobs from the Orient."

The remarkable level of United States exports to Mexico even during enduring a major Mexican recession, is clear evidence that NAFTA provides United States firms significant advantages over their competitors from Europe and Asia. Even during bad economic times United States firms account for a majority of the increase in Mexican imports. They are coming from this country.

As Mexico recovers from their slump, Mr. Speaker, United States exporters are a major beneficiary. At least 70 percent of all Mexican imports come from the United States. This gives us an-

other major stake in Mexican economic stability. Not that everyone in southern California does not already recognize that long-term economic health in Mexico is critical to finding a solution to the problem of illegal immigration, giving the United States a clear stake in economic development in Mexico is very, very important.

Many people have argued that we should not have engaged in this agreement. But, quite frankly, there is no benefit for the United States having a poor southern neighbor. Trade is not a zero sum game.

I recognize that there are tremendous losses of jobs in many of the districts, including yours, Mr. Speaker, as the gentleman has just informed me. But the fact of the matter is, I argue that many of those jobs that have gone to Mexico would have gone with or without NAFTA, and what has happened is the opportunity for partnership, deregulation, decentralization, and privatization. The things we all herald in Mexico were locked in because of the North American Free-Trade Agreement.

So I believe that while we listen to those critics out there who talk about that giant sucking sound, who talk about the fact that we have somehow given up our sovereignty, we have to recognize that maintaining our sovereignty is a top priority, and I am as committed to that as anyone. But recognizing that we live in a global economy is just as important. It is just as important because if we do not recognize that, the United States of America will be at a tremendous disadvantage to other countries throughout the world.

So this has been a positive agreement. It is a long-term agreement. It is one that is going to be phased in over a 15-year period. But I believe very sincerely that the arguments that we made 2 years ago on behalf of the North American Free-Trade Agreement stand today.

Mr. Speaker, I again thank my friend from Texas. I have consumed a grand total of 12 minutes, having gone just slightly beyond the 10, but in between the 10 and 15 that I said I would use.

LOBBYIST INTERESTS AND CUTS IN MEDICARE

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Texas [Mr. DOGGETT] is recognized for 60 minutes as the designee of the minority leader.

Mr. DOGGETT. Mr. Speaker, this afternoon I want to discuss two of the most critical issues facing this Congress. They are, first, the question of ethics, the question of special interest influence on the people's House, and whether the people's interests out there across America are being tended to in this House or only the special interests' interests.

Then there is the question of Medicare, the fact that within only a few

days, this House will be called to vote upon the Republican Medicare plan; that is, the pay more, get less plan, for the Nation's seniors and people with disabilities.

Indeed, not only do I want to talk about these two critical issues, but to discuss what appears to be an interrelationship between the critical matter of the future of Medicare and the \$270 billion that the Republicans have proposed to cut from it and this question of lobbyist and special interest influence.

As we look at the first question, that of ethics and of lobby reform, it was on day one of this Congress from this spot that many of us were calling to change business as usual, to call for a gift ban, to call for lobby reform. Since that time, we have had considerable talk of change. Indeed, if talk was change, I guess the Capitol dome would be upside down by this point, because we have had so much talk of change, and yet when it comes to the basic way in which this Congress operates, there does not appear to have been a very considerable amount of change.

□ 1615

We made absolutely no progress on getting a gift ban, no progress in getting new lobby registration laws, but we did have considerable talk about how much things have changed. The lobby registration laws were enacted the year that I was born, in 1946, and many of us think that it is time for there to be real change in the way that the lobby is regulated. There was talk of change, and finally, under considerable demand from Members of the Democratic Party in the U.S. Senate, that Senate acted this summer by a vote of 98 to 0, both Republicans and Democrats coming together to reform the lobby registration laws. Those are embodied in Senate bill 1060, and among other things this particular piece of legislation will close loopholes in existing lobby registration laws, it will cover for the first time all professional lobbyists, whether they are lawyers or nonlawyers, whether they are in-house or out-house lobbyists, and they will cover those who are lobbying the executive branch as well as those that are lobbying this Congress. Furthermore, this proposal will require disclosure of who is paying whom, a very important matter with reference to lobbying, and it will also require more detailed reporting of receipts and expenditures with reference to lobbying.

Mr. Speaker, this is information that the American people need to know and should know in order to find out whether this Congress is focused on their needs, on the national and the public interests, or focused only on the needs of a handful of Washington special interests. But, despite the fact that the U.S. Senate Republicans and Democrats finally, coming together to reform these lobby laws after 50 years, what has happened here in the U.S.