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Senate

(Legislative day of Tuesday, January 10, 1995)

The Senate met at 9 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

The PRESIDENT pro tempore. The Senate will now be opened by a prayer from our guest chaplain, the Reverend Mark Dever, pastor of the Capitol Hill Baptist Church.

PRAYER

The guest chaplain, the Reverend Mark E. Dever, offered the following prayer:

Let us pray:

King of Glory, Divine Majesty, we praise You for being the God You are, the God of justice, of goodness, of all power.

We praise You for the way we see Your power displayed in the weakness of Jesus, Your goodness in His life, Your justice in the cross.

We confess, Lord, that we too often are confused in the rush of events and deadlines. We too easily make mistakes. We mistake Your acceptance for kindness, bare approval for love, simple popularity for rightness.

Leave us not to our own devices. You know the many and great dangers this Nation faces, and that by reason of the frailty of our nature we cannot always stand upright.

Give each Member of this body today a concern for the fairness in the way business is done, a care for those in our society who are helpless, an ability to act in service.

Replace confusion during discussions with clarity. Cherish the good thoughts and motives of those gathered here, cherish them into deeds great and small.

To those gathered here for Your work, commit to them a childlike joy at the honor of trust which has been placed in them, a true peace, knowing that You care for them and this country, and a keen sense of their account-

ability to You. Give them patience in the process, faithfulness in their duties, and amidst such apparent power surprising gentleness with their colleagues, their staff, and their families.

Use this Chamber in the deliberations to show Your goodness. For Jesus', our dear Redeemer's sake we ask it. Amen.

RESERVATION OF LEADER TIME

The PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 11 a.m., with Senators permitted to speak therein for not to exceed 5 minutes each.

Under the previous order, Mr. COHEN is now recognized to speak for up to 10 minutes.

Mr. COHEN. I thank the Chair.

(The remarks of Mr. COHEN and Mr. DORGAN pertaining to the introduction of S. 245 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER (Mr. INHOFE). The Senator from North Dakota [Mr. DORGAN], is recognized to speak for up to 15 minutes.

INTERNATIONAL TRADE

Mr. DORGAN. Mr. President, I wanted to just touch briefly on three items this morning. I want to talk about some trade negotiations that begin today in Beijing, China. Unfortunately, it tends to glaze over the eyes of many people once you start talking about international trade.

But I will talk about trade because on the car radio this morning I heard that the trade figures released this morning show that our trade deficit for November is now close to \$10.5 billion, up 4 percent, and we are undoubtedly going to set another record trade deficit in the history of this country—the largest single trade deficit in the history of this country. It is a crisis, but you do not hear anybody around here gnashing their teeth about it. We talk about the budget deficit, which is also a very serious problem, but the trade deficit that we have with other countries must be ultimately repaid by a lower standard of living in this country.

I want to talk about our trade deficit just for a moment because in my judgment it is out of control. It represents a bipartisan failure, Republicans and Democrats, jointly hugging a strategy on trade that is fundamentally hurting this country.

Today, negotiators from the United States are in Beijing, China, and will begin negotiations with the Chinese. Our trade problem is a serious problem that extends in many directions, the most interesting of which, and serious of which, are with Japan and China. Japan's trade surplus with this country will exceed \$60 billion again this year. China's trade surplus with the United States—or our deficit with them—will come very close to \$30 billion.

I want to show the Senate a piece of information that I think demonstrates why our trade policies result from a bankrupt strategy. At a time when China is ratcheting up this enormous surplus with us—in other words a deficit that we have with them—shipping us boatloads and planeloads of Chinese goods, flooding our market with Chinese goods, they also need things that we have. Among other things, they need wheat. They had a short wheat crop this past year and so they must

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.



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import a lot of it this year—about 11 million tons, the Department of Agriculture expects.

Where are they buying their wheat? From us because they are flooding our markets with their goods and running up this trade surplus? Oh, no, not mostly from the United States. They are off price shopping for wheat in Canada and Argentina.

I want to show a graph that demonstrates the absurdity of what is going on. This line represents our trade deficit with China. You can see what has happened there—straight up. Straight up. And this line demonstrates the United States share of Chinese wheat purchases. You can see what has happened there—down.

As our trade deficit with China goes up because they flood our market with Chinese goods, they are off shopping elsewhere for wheat in Canada and Argentina.

I come from a very small town. In my town, there is an obligation. If someone comes and buys from your business, and then you need something that they have, you have an obligation to go buy from them. That is the way it works.

But that is not the way it works in international trade, unfortunately. It is a case of Uncle Sucker saying, "Our market is wide open. Do what you want. You have no reciprocal obligation to our producers who want to sell in your market. You can go buy the things you need elsewhere and you can still access the American market." Something is fundamentally haywire in this trade strategy. It is hurting this country badly and it must stop.

I have written to Agriculture Secretary-designate Glickman and Trade Ambassador Kantor today, saying when these negotiators are in Beijing they ought to tell the Chinese they have reciprocal obligations in our marketplace. They need wheat? Then they buy wheat from us. If they need what we produce in dozens of areas, they buy from us. They have an obligation. Either we, with our trading partners, are going to work toward balanced trade relationships or we are not. If they are not willing then we ought to change the trade strategy we employ with those trading partners—and we ought to do it soon.

MEXICO'S MONETARY CRISIS

Let me make two other points. One, about the issue of the bailout for Mexico. I have not spoken publicly about it, but I have grave reservations about it. And I want to tell you why. Not that I am unconcerned about Mexico. It is our neighbor. It faces a financial crisis and we must respond in some manner.

But it in some ways relates to what I just spoke about in our trade relationship with China, Japan, and others. That is, trade and business relationships among nations should be reciprocal: There should be a sharing of economic responsibilities among nations who trade and do business with each other. I am wondering if that kind of

shared responsibility is happening among nations who do business with Mexico.

What is the current account balance deficit in Mexico? Mexico has had to float bonds in order to underwrite a current account deficit. What does the current account balance deficit in Mexico result from? Largely from a trade deficit. Who is the trade deficit with? Us? Oh, no. No, very little of it is with the United States. Mostly with others.

I do not have all the information because I cannot get it. I have asked for it repeatedly from those in our Government who should provide it, and I am going to get it today, I guess, after some delay. But at least the sketchy information I do have suggests that a fair portion of Mexico's trade deficit comes from Japan and a fair portion of Mexico's trade deficit comes from Europe.

One would ask the question, then, if they issue public debt in Mexico to finance a current account balance, and that current account balance results from trade deficits, and if the trade deficits are deficits with Japan and Europe, should then the American taxpayer be the guarantor of a bailout of Mexico's trade relationship with Japan and Europe? Or is the new global order one in which there is a responsibility for other countries trading with Mexico, including Japan, including the Europeans, and others who have a trade relationship with Mexico, to own up to their responsibility?

Why is it only America's responsibility to come forward and protect Mexico in a monetary crisis? In my judgment this is a time to say to the countries that run a trade surplus with Mexico, or who have otherwise caused an outflow of money from Mexico, to step forward and say they will bear their share of responsibility. That is an issue which I think is very important.

I am greatly troubled by the call for a unilateral bailout of Mexico by the United States. I do not have all the information yet, but I intend to get it very soon. When I do, my hope is that we will be able to discuss this in the context of the obligations of others around the world. What are the obligations of the Japanese and the Europeans, and why are they not meeting them?

TOURS OF THE U.S. CAPITOL

Mr. DORGAN. Mr. President, a lot of ideas are floating around the Hill, some reform, some new, some nutty, and, in a new article I have here, an idea offered by someone from the Heritage Foundation. The foundation is the think tank which helped write the Contract With America. This fellow from the Heritage Foundation came to the Hill to testify and said he thinks we ought to charge the American people for touring the Capitol Building. He said they wear down the steps, they brush up against the walls, and apparently he thinks that we should charge

the American people for touring the Capitol.

I would say that those who belong to a think tank who think this way should eliminate the word "think" and call it just a "tank." Does anybody really believe it is too old fashioned to think that those who own a building ought not to have to pay an admission fee to tour it or enter it?

There are going to be a lot of things around here under the guise of new ideas or reform. A lot of them are going to be about half goofy, including this one.

I know people do not like to talk honestly about spending and taxing, so they come up with all kinds of other devices to avoid it. I guess to avoid talking about the need for revenue, they say let us talk about admission fees for the American people to the U.S. Capitol.

To those who come from think tanks who think this way, I say think again. Not many people who serve in the U.S. Congress would believe it appropriate to charge the American people an admission fee to enter and tour a building the American people themselves own.

Mr. President, with that, I yield the floor.

Mr. ROTH addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware [Mr. ROTH] is recognized for up to 5 minutes.

THE EARTHQUAKE IN JAPAN

Mr. ROTH. Mr. President, I would like to take just a moment to express my deep concern and condolences to Japan and the Japanese people over the tragic loss of life and property from Tuesday's devastating earthquake.

The death toll is estimated to exceed 3,100 with another 15,000 suffering injury, and over 600 people still unaccounted for. The earthquake has left over 200,000 Japanese people homeless.

I know my colleagues in the Senate and the House, as well as the American people, share a profound sense of sympathy for those who have lost loved ones or have been devastated by this disaster.

There is unanimous support for the steps the United States has taken to assist the people of the Kobe area, and our thoughts and prayers are with our friends across the Pacific who have acted so bravely in the face of this tragedy.

Mr. President, I have a second statement which I shall read.

The PRESIDING OFFICER. The Senator from Delaware [Mr. ROTH] is recognized.

Mr. ROTH. I thank the Chair.

(The remarks of Mr. ROTH pertaining to the introduction of S. 244 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. GRASSLEY addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa [Mr. GRASSLEY] is recognized for up to 10 minutes.