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House of Representatives

The House was not in session today. Its next meeting will be held on Tuesday, June 13, 1995, at 10:30 a.m.

Senate

MONDAY, JUNE 12, 1995

(Legislative day of Monday, June 5, 1995)

The Senate met at 12 noon, on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Almighty God, Lord of all life, we praise You for the advancements in computerized communications that we enjoy in our time. Sadly, however, there are those who are littering this information superhighway with obscene, indecent, and destructive pornography. Virtual but virtueless reality is projected in the most twisted, sick, misuse of sexuality. Violent people with sexual pathology are able to stalk and harass the innocent. Cyber solicitation of teenagers reveals the dark side of online victimization.

Lord, we are profoundly concerned about the impact of this on our children. We have learned from careful study how children can become addicted to pornography at an early age. Their understanding and appreciation of Your gift of sexuality can be denigrated and eventually debilitated. Pornography disallowed in print and the mail is now readily available to young children who learn how to use the computer.

Oh God, help us care for our children. Give us wisdom to create regulations that will protect the innocent. In times past, You have used the Senate to deal with problems of air and water pollution, and the misuse of our natural resources. Lord, give us courage to bal-

ance our reverence for freedom of speech with responsibility for what is said and depicted.

Now, guide the Senators as they consider ways of controlling the pollution of computer communications and how to preserve one of our greatest resources: the minds of our children and the future moral strength of our Nation. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The acting majority leader is recognized.

SCHEDULE

Mr. INHOFE. Mr. President, for the information of my colleagues, there will be a period for morning business until the hour of 1 p.m. today. Following morning business, the Senate will resume consideration of S. 652, the telecommunications bill. Pending is the Thurmond second-degree amendment to the Dorgan amendment regarding the Department of Justice. Senators should therefore expect roll-call votes. However, there will be none prior to 5 p.m. today.

RESERVATION OF LEADER TIME

The PRESIDING OFFICER (Mr. KYL). Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a

period for the transaction of morning business not to extend beyond the hour of 1 p.m., with Senators permitted to speak therein for not to exceed 5 minutes.

Mr. INHOFE. Mr. President, I request 5 minutes in morning business.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

THE TELECOMMUNICATIONS BILL

Mr. INHOFE. Mr. President, I would like to use this time to rise in support of the telecommunications bill, the bill we have talked about last week and will continue on this week; hopefully to finish the bill early this week. I know we have talked about it a great deal. Last year there was considerable discussion.

It seems to me it comes along at a time when it is responding to what the American people said in 1994, and that is we ought to move away, have less Government, less regulation, and let the marketplace function. That is what this bill is designed to do. It seeks to remove some artificial governmental regulations, regulations that go beyond simply providing for fair competition. I think we want to move in that direction.

Times have changed a great deal. As some of my experience back with the Rural Electric Association showed, seeking to bring electricity to areas where there was relatively low density and where there were few people living, no one in the competitive business was really interested in serving those areas

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



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that were very low in revenue. Hence, the cooperative effort of the rural electric.

I think cooperation is necessary and will be here in the area of universal coverage. We need to provide with certainty that there will be telephone communications, and that is part of this bill. At the same time, we need to open it to full access in competition. So many things are happening, so many things are changing, so many things that will bring to a State like mine the opportunity to have all kinds of communications, indeed to conduct the kinds of businesses in Wyoming that you could not conduct without entry to an information network, without the kinds of things that will be provided here.

This bill is designed to remove restrictions on competition. I think that is what it should be all about. It is designed to create opportunities for investment and growth, not only in the communications system in this country but certainly global communications.

I do not want to take a great deal of time but I do rise in support of that concept. I think this bill does the things it is designed to do. I know there are differences of view. That is as it should be. There are great debates in this place. They are designed to show there is more than one alternative, otherwise there would not be a great debate. I am one who thinks, if we can set forth here the conditions that ought to be met in the case of local telephones before they expand, and long distance into the local, that is the way we ought to do it, and keep the substantive judgments of the Department of Justice at a minimum. The authority lies there, of course, to move in when there are unfair trade practices. That is as it should be.

So the result we look for, of course, is lower prices. We look for expanded options. We look for 1.5 to 3 million high-technology jobs that will be developed, and more exports. So this is a good step.

I look forward to supporting the bill. I look forward to the Senate completing its work this week so we can move on, then, to some of the other features.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from South Dakota.

THE TELECOMMUNICATIONS COMPETITION AND DEREGULATION ACT

Mr. PRESSLER. Mr. President, we will be back on the telecommunications bill at 1 o'clock. I urge Senators to bring their amendments to the floor so we can begin to see if we can work them out. We are determined to press forward on the telecommunications bill this afternoon, and we will be starting at 1 o'clock. We invite speeches by Members as well as amendments.

This is a vast bill that will affect every household in the United States.

It also affects about one-third of our economy. We have been on this bill for 2 days and we will be going back to it at 1 o'clock. We invite amendments to be offered from that time onward.

I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, I ask unanimous consent to speak for 10 minutes in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

NAFTA

Mr. DORGAN. Mr. President, this morning I was going through some mail in my office and I received a letter from a young woman in Fargo, ND. I shall not use her name because I have not asked her if it is appropriate to use her name. But she is a young woman who described a whole series of troubles. She was left with two children as a single parent, no training, not many skills, and jobless. She described her journey through the social services system to try to find a way to get trained and get a job. The letter is an inspiring letter from someone who is now working full time—thanks, she says, to the training programs, thanks to the help that she received from Medicaid and elsewhere. So this is a person for whom a job is a way out, a job is a way to take care of her children. A job is, for her, substantial self-worth and respect.

You forget, sometimes, how important jobs are until you read a letter from someone like this who did not have a job and now does, thanks to a lot of help from a lot of people, but especially thanks to her determination.

I mention this letter about jobs because jobs are very important to the American people, and we have 10 million people out there—give or take a few—who are looking for a job today and cannot find one. We do not have enough jobs. We do not have enough good jobs that pay good wages in our country.

About a year and a half ago we debated in the U.S. Senate what is called NAFTA, which many people will remember, the North American Free-Trade Agreement. The contention was, if we would link our economy to Mexico's economy—and Canada's, too, but especially NAFTA was about Mexico—somehow we would have tremendous new opportunities in our country, or so we were told by the prophets of the day. We were told that linking the American economy to the Mexican economy would produce a burst of new jobs and new opportunity in our country.

Some of us did not believe that to be the case. Some of us believed that if you linked an economy like ours with an average wage of \$15 to \$17 an hour to an economy like Mexico, which still pays in many areas 50 cents or \$1 an hour—in other words, linking our economy to an economy whose wage base is

a fraction of ours—we felt it would tip the table so that jobs in this country would move south to Mexico. The jobs would move south because big producers, big corporations want to produce where it is cheap, and sell back into our country.

I know it may be a sore spot with some to start keeping score on the actual results of NAFTA. But after 1 full year's experience of NAFTA and after part of this year with NAFTA, I felt it was important to come to the floor of the Senate and describe what has happened with the United States-Mexico trade situation.

A new study has just been released by Robert Scott of the Center for International Business Education and Research at the University of Maryland. Robert Scott used to work for the Joint Economic Committee here in Congress, of which I was a member. He did some analysis and some work while on that committee with respect to NAFTA and has now completed an evaluation of NAFTA with respect to the job impact in the United States.

I want to commend to the attention of the Senate this study by Mr. Scott. It is interesting, thoughtful, and I think it is the only study I have seen that really looks at this in an appropriate way. Mr. Scott takes out the transshipments between the two countries. In other words, if Mexico receives something that is actually produced in another nation—for example, computers from Asia—and does not use the computers but re-exports them to the United States instead, those computers are not really Mexican exports and so they should not be counted in our measurement. Or, if another nation produces something and ships it to the United States but we do not use and simply transport it to Mexico, then it should not be considered an export from the United States to Mexico. These kinds of transshipments do not have a job impact of any significant nature between our two countries.

So, Mr. Scott takes out the transshipments and takes a look at what is produced in the United States versus Mexico and what is consumed in each country. The question is, What has happened as a result of the United States-Mexico trade agreement as a result of NAFTA?

Let me show you two charts. First, the United States-Mexico trade surplus, again taking out transshipments, we had a very significant surplus in Mexico. In 1992, it was \$5.7 billion. In 1993, when we had NAFTA passed, it was \$1.6 billion. Last year it shrunk to \$.5 billion. And, if the first 3 months of this year are any indication—and almost all economists say it is—we will have a \$15 billion trade deficit this year with Mexico.

Take a look at that and see which direction we are headed. Are those prophets who predicted these wonderful things for America now looking at their chart and saying, "Gee, this is wonderful"? I do not think so. We went