

trade deficit down. We need balanced trade, not just with Japan but with China, Mexico, Canada, and other countries as well.

I am not saying, in any way, that Japan is not a valued trading partner of ours. I am saying that our trade relationship with Japan has not been mutually beneficial. It is not helping this country. It is hurting this country. We ought to decide, as a country, that we want to have a strong manufacturing base that helps create good jobs here in our country. We ought to decide we do not want to put a wall around us. We want to be willing and able to compete with anybody who wants to ship their goods into our country, provided they are produced with a living wage paid somewhere else, produced under circumstances that do not pollute the environment, do not exploit child labor, and so on. Even while we do that, we as a country ought to insist that other countries allow us the same access to their markets.

It is interesting, if you go back to the Second World War and chart the 50 years since the Second World War, you will find that 25 years after the Second World War we won everything economically. And, we did it with one hand tied behind our back. Our trade policy was a foreign policy, and nobody made any bones about it. It was designed to help other countries. But we could beat other countries without any problem. We were the biggest, the strongest, the most, the best. We could outcompete and outsell and beat any country in the world on almost any level economically.

As a result, during those 25 years, American wages continued to rise and workers benefited from our economic opportunities and the economic strength that we had. In the first 25 years, wages went up like that. Then in the next 25 years, in that second half of the 50 years, wages began to stagnate for most Americans. What happened? What happened was that those we used to treat with a trade policy that was really a foreign policy have become tough, shrewd economic customers and tough competitors—Japan, Germany, and others.

What has happened was we began to bleed strength out of this country with these kinds of trade deficits that we have seen. These were recurring, consistent, yearly trade deficits that sapped this country's economic strength.

Our trade policy should no longer be a foreign policy. They ought to be economic policies that say to other customers and other trade partners in other countries, who are tough competitors, that we will give you certain access to our marketplace because we want to have a free and open marketplace. It should say we want to give consumers access to a wide range of products from around the world. But all of you—Japan, China, Germany, and others—have a responsibility in return. This responsibility finally is

going to be one that America insists upon. The responsibility is to allow the American worker and the American producer into your marketplace to compete on the same basis as you compete in our country. We expect it, and, more importantly, we demand it, and we are going to do things necessary to enforce it.

I come from a State that requires that we find foreign homes for a lot of what we raise. I understand that. There is our grain, beef, and a lot of agricultural produce which move overseas. I appreciate the fact that we have trade relationships with countries that are willing to purchase these commodities. But it is not gratuity that suggests to me that Japan and China ought to buy more agricultural products, not less, from us.

When we run up trade deficits, or when Japan and China run up a trade surplus with us and then go elsewhere to buy grain or shop elsewhere to buy airplanes, there is something fundamentally wrong with our trade relationships. I hope that we will decide that this kind of trade strategy that we have had under Republicans and Democrats for three or four decades is robbing our children of the kind of economic future they ought to have in our country. It has been shifting our Nation from a high-wage nation to a low-wage nation. It has been a major contributor to our fiscal policy deficits because it has zapped our economic strength and it has slowed our economic growth.

I hope all of us will decide to do something about this. As I said, I want to introduce some legislation next week to form an emergency commission to try to deal with recommendations on how this country confronts this trade deficit. I am going to make presentations similar to this on our trade deficit with China, which is \$34 billion a year and growing, and on our trade deficit with Mexico and Canada, which combined is also nearly \$34 billion a year and growing.

I hope, perhaps at the conclusion, all of us will have some more information and some more facts about a problem that I think is a serious problem for our country and one that literally begs for attention. It demands a solution if we as a country are going to remain an economic power in the world in the decades to come.

Mr. President, I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PRESSLER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

#### THE BUDGET

Mr. PRESSLER. Mr. President, I rise to say a few words about the budget

that this body enacted last evening. I voted with pride for the Domenici-Dole budget because it places our budget in balance by the year 2002.

This budget is the first real budget, with real numbers in it that will lead us to a balanced budget, that has been passed since I came to the Congress in 1974. We finally have passed a real budget with real numbers in it that will lead us to a balanced budget.

Also, this budget contains welfare reform, real welfare reform, that will lead us to workfare following the Wisconsin plan. We passed the same thing last year. It was vetoed twice by the President. But even he now says he has endorsed most parts of the Wisconsin plan. So even though our budget last year was not enacted, it has had some dramatic results. Even the liberal Democrats are now talking about a balanced budget for the first time. They are at least pretending to be interested. The President gave his radio address on the need for welfare reform following the Wisconsin plan which, under Republican Gov. Tommy Thompson, has become a model to get people onto workfare.

So this is very, very important for our country. In fact, a balanced budget is the most important thing we can do because it will provide for low interest rates and a stable dollar, and that will help us export more. A balanced budget will help college students who have student loans because it keeps interest rates down and the payments can be less. It helps homeowners who have home mortgages in terms of their interest. It helps small business people because of lower interest rates and a stable dollar for exports. It helps agriculture. In fact, it may be the most important farm bill.

I supported the freedom-to-farm bill with pride, and I was a part of the leadership team that brought us the freedom to farm bill. But if we can export, commodity prices will take care of themselves. In fact, we have some of the highest commodity prices in history.

Mr. President, we have a serious problem with cattle prices at this time. I just finished a conversation about the need for the Clinton administration to enforce the antitrust actions and the price-fixing actions if American consumers are not getting the advantages of lower beef prices—and they are not. Some people say we need more investigations and studies. We do not need more investigations and studies. We need action by the Clinton administration and the Justice Department to enforce the antitrust laws and the price-fixing laws that we have in this country. That will help beef prices. That will help our cattle.

Mr. President, I grew up on a farm, and I used to raise cattle. We would go out to western South Dakota and buy 400-pound feeder calves and bring them back to eastern South Dakota, feed them for a year, and sell them. I kept records on my 4-H beef cattle, and I

know how tough it is to make a profit on feeder cattle. I know that a lot of our cattlemen today are losing money and are losing their farms because of low cattle prices. There have been a number of steps taken. But they have all been on the edge.

The real issue is price. I feel strongly that the great packer concentration is causing price-fixing, and we need anti-trust action by the Clinton administration. They have the authority. The law is on the books. We should do it now.

So, Mr. President, in conclusion, let me say that I voted with pride for the Dole budget that passed the Senate because it has welfare reform in it that will lead to workfare.

It will fundamentally change the welfare system in our country to workfare. It will save taxpayers' money. It will mean that actual welfare recipients will do even better. This is a good budget that will lead us to \$1 billion in 2002. I hope the House of Representatives and the White House accept the budget this year.

I thank the Chair, and I yield back my time.

Mr. President, I note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DASCHLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

#### WELFARE REFORM

Mr. DASCHLE. Mr. President, before we leave for the Memorial Day recess, I wanted to make a couple of comments if I could with regard to the current situation on welfare reform. I did not hear all of his remarks, but I know that the Senator from South Dakota just made a reference to welfare in the budget. A number of colleagues on both sides of the aisle have addressed the issue this morning—Senator BREAUX, and I believe, the majority leader did so as well. I think it is fairly clear that Democrats and Republicans want welfare reform. I do not know of anyone who supports the status quo.

There has been a lot of talk about reform principles over the last several months. The President reiterated the basic principles just last weekend. And on Tuesday, my colleague, the majority leader, announced his principles. The legislation to reform welfare has come a long way in the last 12 months. Senator BREAUX and Senator CHAFEE have worked over the course of the better part of a year now to achieve a bipartisan compromise on welfare reform, and frankly I applaud them for their effort and for the contribution they have made to this debate.

On the House side, Representatives TANNER and CASTLE have done much the same thing, and for them, too, there has been a good deal of attention

for the work product they have produced. On Wednesday, Republican House and Senate Members introduced legislation very close to those bills. So in large measure, many of the extreme provisions of the legislation offered in 1995 are no longer evident in the welfare reform proposals that are currently being considered. If you look at the proposals, what is remarkable is the degree to which there is common ground. That common ground is really based on a number of principles that apparently are shared now by the vast majority of Republicans and Democrats.

First, able-bodied welfare recipients ought to work. I do not think there is much disagreement about that. Second, welfare receipts ought to be limited in time. Now, there is some disagreement with regard to the length of time perhaps, especially on my side of the aisle, but I do believe there is a broad, bipartisan consensus in the middle that there ought to be a time limitation. Adequate funds for child care need to be provided as well. You cannot ask a family to go take that new job, to leave the security of the welfare infrastructure and then to expect them to leave children in the living room unattended. We talk about making sure that families have the ability to be families, to take care of their children. If they are going to work, somebody has to take that responsibility while they are gone.

I also recognize, and I think most colleagues do, that there is a broad consensus about how we treat illegal noncitizens. They should not receive welfare, period. I do not think there is much disagreement with regard to welfare receipt for illegal noncitizens. Child support enforcement laws need to be strengthened. There are still too many deadbeat dads out there who ought to be sought out and ought to be made to live up to their responsibilities.

We need to provide more flexibility to States. The President has provided now, I am told, over 60 waivers in States across the country. No greater level of flexibility has ever been given by any administration to States to find ways to address the welfare issue from their perspective more effectively than has this administration.

Finally—and I think there is some disagreement on this—there is a growing consensus that children, infants, and toddlers especially, those most vulnerable, need to be protected; that welfare reform should not be about punishing kids. It ought to be about giving them as much empowerment, as much opportunity to be cared for, to be educated, to be fed, to be clothed, and housed in a way that will ensure that they are not on welfare someday. We need to break this generational linkage. The only way we are going to do that is to empower children and find ways to ensure that they are not punished as we continue to find a more viable approach to our welfare system.

The President said yesterday that he would like to enact welfare quickly. In fact, he said he would like to see it happen before the majority leader leaves the Senate.

Mr. President, I think there ought to be bipartisan agreement to that effect. Let us try to do that. I listened carefully to the speech by the majority leader in Wisconsin, and he said, "When I say real welfare reform, I mean requiring every able-bodied welfare recipient to find work within 2 years."

The Republican bill introduced yesterday goes beyond that particular requirement for work, and it is something we are going to have to be able to address. There are no exceptions, except for mothers with children under age 1. What about disabled people? Should they be required to find a job in 2 years? What about those caring for a disabled child? What about those who are caring for a disabled spouse? Do we require the same of them that we require for able-bodied people in normal circumstances?

That is something I am sure in a bipartisan way we can resolve to everyone's satisfaction, but clearly those are a series of questions that in our view have to be addressed in a way that will allow us to pass meaningful legislation sometime soon.

I do hope we can act on it soon, but we also need to read the legislation that has been introduced. It was not available yesterday. We do not know if it will be available today. There may be other areas in the bill where the provisions do not match the principles that appear to be the common ground that binds Republicans and Democrats. But clearly there is a desire, and I think that desire is becoming more pronounced, more articulate in a more specific way than at any time in recent memory.

I agree with much of the majority leader's speech in Wisconsin, not just the quote to which I just made reference. He did not speak as an extremist partisan leader. He spoke of, and I quote, "The American ideals of freedom and human dignity, opportunity and personal responsibility." He is right.

The President has articulated in much the same way what this ought to be about. Now it is our responsibility to ensure that welfare reform does not aim at the mother but hit the child.

Much has been said about reform. Little has been said about protecting children. We all want to make sure that they are protected, that they do not pay for the mistakes or the circumstances of their parents. Somehow there ought to be a way to protect children as we attempt in a positive way to construct a welfare infrastructure that allows us to make fundamental change.

If our Republican colleagues are serious about welfare, then we ought to schedule it. We ought to schedule it quickly. We could agree today to take that legislation up before the Senate as