

country that produces a product using 14-year-old kids working 14 hours a day, being paid 14 cents an hour, and then ships their product to Toledo, Fargo, Denver, and San Francisco. Then we are told, "You compete with that, America. You compete with that." We shouldn't have to compete with that.

When we put people in our factories, we have a child labor law. When we put people in our factories, we have a minimum wage. When our people work in our factories, we have air pollution laws against polluting air and against polluting water.

Then a producer says to us, "Well, that is fine if you want to do that. If you want to protect children, pay a decent wage and protect your air and water, we will go elsewhere. We will produce elsewhere. We will produce in China, Sri Lanka, Bangladesh, and Mexico. We will produce elsewhere where we are not nearly as encumbered by the niceties of production such as child labor laws or minimum wages." We shouldn't have to put up with that.

The point I am making is this: Those who come to us in September and say, "Give us fast-track trade authority so we can go out and negotiate new trade agreements," ought to understand that some of us believe that you ought to correct the old trade agreements you have first. You ought to correct the problems that are causing massive deficits with Mexico, massive trade deficits with China, and massive deficits with Japan.

I am not saying that we want to close our markets to them. Instead we need to be saying to them, "When you want to buy things, then you buy from us." We say to China, "If you have a \$40 billion trade deficit with us, when you want to buy airplanes, you buy them from us. When you want to buy wheat, you come shop in this country."

Instead, China shops around the world for wheat. When it needs airplanes, it says to one major American airplane company, "By the way, we would like to buy your airplanes, but we want you to manufacture them in China."

That doesn't work. It is not fair trade. It is not the way the trade system ought to work.

Those of us who feel that way in September are going to be here on the floor saying fast-track trade authority ought not be extended. What we ought to do to the extent that we have the energy is to fix the trade problems that now exist—yes, in NAFTA, in GATT, and in bilateral trade relationships with Japan and China and others. That is the job we should be doing. Congress has the responsibility to insist the administration does it, and Congress itself needs to be involved in doing it.

I know what will happen when we do that in September when the administration asks for fast-track authority and some of us stand up and say, "Wait a second; we wonder whether this is in the interests of our country." We will

have people immediately jump up and say, "Yes, you people are against free trade. You are a bunch of xenophobic, isolationist stooges who simply don't understand this world now is a smaller world. We from day to day and minute to minute have trade relationships with each other all around the globe, and you don't understand that. You never have gotten it, and you don't get it now." We hear those discussions virtually always when we raise the question of trade.

On the other hand, I think maybe those who view us in such a cavalier way will have to deal with the insistence of some of us that we finally must as a country insist on fair trade relationships. Perhaps they will begin to understand these abiding and long-term trade deficits. Incidentally, the largest trade deficits in the history of our country are occurring now. We currently have the largest merchandise trade deficits in our history. Maybe they will come to understand that these trade deficits will retard this country's long-term economic growth and hurt this country and we must do something about them.

There is great anxiety in this Chamber—and has been for a long while—about the budget deficit. We have made enormous progress in reducing that budget deficit. But there has not been a whisper in this Chamber about suggesting we do something about the largest trade deficit in American history. That trade deficit relates to jobs, economic opportunities, and the future of this country as well. It is long past the time when we do something about it.

MEDICARE WASTE, FRAUD, AND ABUSE

Mr. DORGAN. Madam President, I would like to make comments on one additional subject today, a subject that many of us are working on in both the Republican and Democratic caucuses, and one that is also very important to our country.

The inspector general about a week and a half ago in Health and Human Services released a report on the Medicare Program, and indicated to us in Congress and to the American people that they felt that as much as \$17 billion to \$23 billion a year is essentially wasted in the area of Medicare, for a range of reasons and a range of areas—waste, fraud, and abuse. They describe bills that were inappropriate, bills that were erroneous, services billed for that were never provided, and some fraud.

The reason that is an important report is that it follows on the heels of the Government Accounting Office, the inspector for the Congress, the GAO, which also had indicated that it felt somewhere in the neighborhood of \$20 billion to \$23 billion a year is wasted in the area of Medicare. By "wasted," I mean waste, fraud, and abuse.

A good number of people have tried to tackle this subject at one time or another and with some limited success.

The American people would look at Medicare and probably conclude that it was a very important program. I happen to be a supporter of Medicare. I think it was a very important program for this country to develop.

Prior to the 1960's, when this country developed the Medicare Program, far fewer than half of the American senior citizen population had any health insurance at all—and that was for obvious reasons. There are not insurance companies formed in this country to run around seeing if they can provide unlimited insurance to people who are reaching an age of retirement and where they are going to need more and more health care in older age. It is not the way insurance companies make money. Insurance companies search for that healthy 25-year-old who is not going to need any health care and sign them up to pay health insurance premiums. All of us know that. That is where insurance companies make money. Do you know of an insurance company that says, "Our mission in life is to make a profit by searching out old folks and seeing if we can provide insurance to old folks"? I don't think so. That is not the way it works. In order to have health insurance for people at any age, they would have to charge so much that most people couldn't afford it. The result was that in 1955, 1960, 1962 fewer than half of America's senior citizens had any health care coverage at all.

We passed Medicare and made certain that the fear of reaching retirement age and not having health care coverage would be gone forever. Medicare guaranteed those citizens who reached that age—age 65—that they were going to have health insurance coverage. And it has been a marvelous program in many ways. After health care was provided for senior citizens in the early 1960's in the Medicare Program, 99 percent of the senior citizens in this country have coverage for health care—99 percent. That is a remarkable success.

Something else has happened in this intervening period, and it is also called success. People are living longer and living better. Medical breakthroughs extend life in a very significant way. One-hundred years ago at the turn of this century, if you were alive, you were expected on average to live to be 48 years of age. One century later, you have a reasonable expectancy to live to be 78 years of age—from 48 to 78 in one century. That is progress. These days, on average, you live to 77 or 78 years of age. You have a bad knee, replace the knee; a bad hip, replace the hip; cataracts, get surgery, and you can see again. Plug up your heart muscle for over 50 or 60 years, open the chest and unplug the heart muscle with open-heart surgery. I have been to meetings where people have stood up at a meeting and said, "You know, I have a new knee. I have a new hip. I had cataract surgery and had some blockages removed with heart surgery," and then said, "and we are sick of the Government spending money."

Well, all of that cost money in Medicare. It is remarkable. It is breathtaking. It is wonderful that people live longer and medical breakthroughs allow them the opportunity to walk when they couldn't have previously walked and see when they couldn't have seen—and to do other things that give them a better life. But it is also very costly. It has costs with expanded Medicare payments, and all of us must understand that.

This program has grown largely because of success. The life span increases with breakthroughs in medical care. All of that spells more money in Medicare. We understand that. I think the American people accept that as a success story, except no one will believe it is a success story to have a program that has up to \$20 billion a year of waste in the program. When the American people hear the stories that for a bottle of saline solution that you can go down to the drug store and buy for \$1.03 and Medicare pays \$7.90 for it, they have a right to say, "What on Earth is going on here?" Medicare will pay \$211 for a home diabetes monitor used by diabetics to test their blood sugar levels. You can buy the same one not for \$211 but for \$39 at the local store; or the gauze pad that Medicare paid \$2.33 for that you can buy for 23 cents. The American people have every right to say, "What on Earth is going on? If you can't run a program, get a crowd in here that can run a program." Or, "If the Congress can't pass the laws to make sure it is run the right way, then get somebody else to pass the laws to make sure it is run the right way."

We ought to aggressively pursue fraud. When we see people committing fraud in Medicare, we ought to send them to jail, arrest them and prosecute them, and say, "You commit fraud against the American people, your address is going to be your jail cell to the end of your term." When we see overbilling and overcharges, when we see administration that is not competent, we need to take action.

The inspector general report of a week and a half ago sends another warning to this Congress that we must take action to prevent this kind of Medicare waste, fraud, and abuse.

Mr. President, \$20 billion a year is outrageous. If we are going to continue the support that is necessary for a Medicare Program that is important for this country, this Congress has to take action and take action soon.

There are some remedies in the reconciliation bill that will come to the floor this week but not enough. We must do much, much more. I know there are Republicans and Democrats in this Congress anxious to work together on this problem to hopefully prevent there from ever again being another GAO report or inspector general report that provides this kind of awful news about a Federal program that is so important to so many Americans.

Madam President, with that I conclude my remarks.

The PRESIDING OFFICER. Will the Senator withhold any suggestion of a quorum call for an announcement by the Presiding Officer?

Mr. DORGAN. Yes, of course.

ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT, 1998

The PRESIDING OFFICER. Under a previous order, the Senate just having received H.R. 2203, the energy and water appropriations bill, all after the enacting clause of the House bill is stricken and the text of S. 1004, as passed by the Senate, is inserted in lieu thereof. The Senate insists on its amendment, requests a conference with the House, and the Chair is authorized to appoint conferees.

The PRESIDING OFFICER (Ms. COLLINS) appointed Mr. DOMENICI, Mr. COCHRAN, Mr. GORTON, Mr. MCCONNELL, Mr. BENNETT, Mr. BURNS, Mr. CRAIG, Mr. STEVENS, Mr. REID of Nevada, Mr. BYRD, Mr. HOLLINGS, Mrs. MURRAY, Mr. KOHL, and Mr. DORGAN conferees on the part of the Senate.

The PRESIDING OFFICER. Under a previous order, the passage of S. 1004 is vitiated and the bill is indefinitely postponed.

Mr. DORGAN. Madam President, I make a point of order that a quorum is not present.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. AL-LARD). Without objection, it is so ordered.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business Friday, July 25, 1997, the Federal debt stood at \$5,369,530,452,476.10. (Five trillion, three hundred sixty-nine billion, five hundred thirty million, four hundred fifty-two thousand, four hundred seventy-six dollars and ten cents).

One year ago, July 25, 1996, the Federal debt stood at \$5,181,309,000,000 (Five trillion, one hundred eighty-one billion, three hundred ninety million).

Twenty-five years ago, July 25, 1972, the Federal debt stood at \$434,583,000,000 (Four hundred thirty-four billion, five hundred eighty-three million) which reflects a debt increase of nearly \$5 trillion—\$4,934,967,452,476.10 (Four trillion, nine hundred thirty-four billion, nine hundred sixty-seven million, four hundred fifty-two thousand, four hundred seventy-six dollars and ten cents) during the past 25 years.

The PRESIDING OFFICER. Under the previous order, the hour of 4 p.m. having arrived, there will now be 1 hour for morning business under the control of the Senator from Georgia, [Mr. COVERDELL].

A BALANCED BUDGET ACT AND TAX RELIEF

Mr. COVERDELL. Mr. President, I have just returned from my home State and I can certify that the issue of a balanced budget act and tax relief is on the minds of a lot of Americans. Everywhere I went, whether it was stepping out for lunch or meeting with various groups, somebody would come up and say: Get this done. Hold firm. Stay the course.

America wants this to happen. America wants a balanced budget act to pass and be signed by the President. It will be the first one in nearly 30 years. That is hard to believe, that we have so abused our financial health that this will be the first balanced budget we will be passing in 30 years. And they want the tax relief. I don't think I have met a citizen that didn't, in some way, start calculating, like the young county commissioner I met who is a farmer and a full-time county commissioner, and he has two children. He said, "If that measure passes, that's going to save my family \$1,000, \$500 per child." Or the elderly couple who are concerned about maybe selling their home and relocating, who are concerned about the capital gains tax that currently rests against that property. Or the family that talked about the onerous nature of death taxes in America, the kinds of decisions and pressures it puts on small businesses and family farms. They really do want this done. I hope, as I said last week, the President will set aside the partisan nature of this issue, and trying to one-up somebody else, and just get it done.

I was reading in today's Washington Post, it says:

Congressional Republican leaders said last night they were on the verge of a final budget and tax agreement with the White House after making a major concession on the proposed \$500-per-child family tax credit and dropping their insistence on "indexing" a reduction in the capital gains tax.

Or, in the New York Times, Monday, July 28:

Budget Deal Down To "Small Issues," Gingrich Declares. Spokesman for President Says Assessment Is Premature—Meetings Continue.

This is something that both the leaders of our House and Senate and President should really come forward on, get it done, and make a statement that we have, in a bipartisan way, produced major policy. I would revisit, once again, the fact that if the leadership of both parties in the Senate, the leadership of the Finance Committee, both parties, the leadership of the Budget Committee, both parties, if they all could find a balanced budget act and a tax relief act on which they could agree, it ought to send a pretty powerful message to the President and his administration. Remember that 73 Members of the Senate, a majority of both parties' conferences, voted for the Balanced Budget Act, and 80 of them voted for the Tax Relief Act.

I don't know what more proof you could have that these proposals are