

According to most recent statistics, our international debt, because of this huge and growing trade deficit, will reach \$1.9 trillion when it is added up for last year, and they are expecting it will double to \$3.8 trillion, trillion dollars, by the year 2005.

Interest payments, money going overseas for money borrowed from overseas by financiers, governments, multinational corporations, whatever, \$86 billion this year and it will be \$166 billion by 2005. That is jobs that are not created here, capital that is not available here, threats to the future economic prosperity of our country.

Now, there are two parts of the trade deficit we ought to take a special close look at. One is the trade deficit due to the OPEC nations. Now, people have just started to pay attention to OPEC again recently, but they have been there all along. They have been a very large part of our trade deficit, but they are getting bigger.

Last month, our trade deficit to the OPEC nations, because of their price fixing, was \$2.671 billion. That means at that rate we will run a \$31 billion trade deficit with OPEC.

Now, everybody around here loves free trade, the World Trade Organization, with the exception of a few of us who think that that is not working very well for the people of this Nation. Well, the WTO has rules. Guess what? They have rules. It is a rules-based trade. The President loves rules-based trade, and one of the rules is that member nations cannot constrain production for goods produced for export unless it is for conservation purposes.

Nobody in the OPEC nations pretends that they are conserving their oil for conservation purposes. They are real up front about it. They are price gouging. They are creating an artificial shortage. Why then will the President and the administration not file a complaint in the WTO that they love so much? Why will the majority party who loves the WTO so much not force the President to file a complaint?

I expect they will not allow my amendment to the legislation tomorrow that would resolve that the Congress wants the President to file a complaint in the WTO against the OPEC nations.

Now there is another aspect to this that is very large, even bigger than OPEC. China, our trade deficit with China close to \$70 billion this last year, an increase of 15 percent, the most unfair trading nation on earth. And yet what is this Congress proposing to do, pushed by the Republican leaders and the President? That is to give China everything they ever wanted, to give up any tools that this body holds to hold over China in the future to get them to behave in international trade, to get them to behave in human rights, to get them to behave in nonproliferation of nuclear weapons or dealing weapons to terrorist countries, to give them permanent most favored nation status.

Well, the estimates are, by our own international trade commission, saying that if the U.S. gets China into the WTO and if the U.S. grants them permanent most favored nation status, that they expect, according to their model, that our trade deficit with China will grow for the next 60 years to \$649 billion. Something stinks about the trade policy in this country and it is time that it changes.

WE HAVE OUR GREAT LAKES BACK BUT WE ARE NOW FACING A NEW THREAT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. CAMP) is recognized for 5 minutes.

Mr. CAMP. Mr. Speaker, just 30 years ago, the Great Lakes had been all but pronounced dead. Lake Erie was filled with garbage, and rotting fish regularly washed up on the beach. The Cuyahoga River, which flows into Lake Erie, was so polluted that in 1969 it caught fire. Lake trout in Lake Michigan and Lake Huron were all but wiped out. The Federal Government even banned the consumption of walleye because of the high levels of toxic mercury.

Today, however, we can say that through dedication and hard work, the Great Lakes are one of environmentalism's most dramatic success stories. Lake Michigan's fish population has recovered with steelhead, salmon, and brown trout. Lake trout and lower Huron and Superior are recovering rapidly as well. We have our Great Lakes back, but now we are facing a new threat.

Water scarcity is becoming a worldwide problem. Over 166 million people in 18 countries are suffering from water shortages. Almost 270 million more in 11 additional countries are considered water stressed. Experts predict that by 2025, one-fourth of the world will suffer from lack of water. Given the pressures of population increase and dropping water tables, present-day water usage cannot be sustained. Some are trying to change fresh water from a resource to a commodity.

Given these disturbing statistics, it is not surprising that there are now proposals to withdraw bulk quantities of water from the Great Lakes Basin. After all, the Great Lakes compromise one-fifth of the earth's fresh water resources, but we still do not know the effects that bulk water exports would have on the Great Lakes system.

In an effort to examine the environmental, economic, and social impact of bulk water removals from the Great Lakes, the United States and Canadian governments asked the International Joint Commission to report on this matter. Last week, the IJC released its final report.

The IJC reported that removals of water from the Great Lakes basin could reduce the resilience of the system and its capacity to cope with fu-

ture and unpredictable stresses. Despite its vastness, over 6 quadrillion gallons of water, the system is also extremely vulnerable to disruption. Any hydrological changes to the water system, even small changes, could have devastating ecological consequences.

Due to these environmental concerns, the IJC recommended a moratorium on such exports should be imposed for 2 years, to give the Great Lakes governors time to collect further data and assess the environmental impact of such removals. Most importantly, the IJC recommended that decisions regarding bulk exports should remain in the hands of those that are closest to this great resource, the State governments of the Great Lakes Region.

I grew up in Michigan and I know firsthand how important these lakes are to the States around them. They are not just a water resource. They are a way of life; from shipping to hydro power to tourism and recreation. Our Great Lakes communities rely on these water resources to support vital sectors of their economy. That is why I have introduced legislation, H.R. 2973, to not only protect our Great Lakes but also to ensure that those with the most vested interest in their future, the people who live in the Great Lakes States, are the ones who make the decisions about how they are managed.

For the past 15 years, the governors of the Great Lakes States, in consultation with the Canadian premiers, have effectively managed the basin. What we need to do now, and what my legislation will do, is impose a moratorium on bulk exports to give the governors the time that they need to effectively evaluate how and if any bulk exports from the Great Lakes basin should proceed.

We do not want to transfer management of the Great Lakes from the governors to the Federal Government. That is not the direction we should take.

Lake levels are at an all-time low. The Washington Post recently reported that Lake Superior is at 9 inches below its long-term average. Michigan and Huron were 18 inches below average. Erie was 9 inches below and Ontario was 5 inches low.

Now is the time to act on this matter. Prudent management of our natural resources means looking ahead and planning for the future. As we begin this century, we must be responsible stewards of our environment, to ensure that our children are not denied the resources that we did are able to enjoy.

Mr. Speaker, I urge members of the Great Lakes States and all Members of Congress to join me in following the IJC's report and enacting H.R. 2973.

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A BEGGAR'S LIFE: U.S. POLICY MUST BE SOMETHING MORE THAN BEGGING AT OPEC'S DOORSTEP

The SPEAKER pro tempore (Mr. PEASE). Under a previous order of the House, the gentleman from Kansas (Mr. MORAN) is recognized for 5 minutes.

Mr. MORAN of Kansas. Mr. Speaker, 3 years ago this month I made my first speech on the House floor, highlighting the importance of domestic oil production and our dangerous reliance upon imported oil. At that time oil was just under \$15 a barrel and gasoline was around 80 cents a gallon.

Within the following 12 months, the price of crude would fall to \$7.75 per barrel for western Kansas crude and would remain under \$10 per barrel for most of the next year. As a result of the dramatic price decline, since 1997 more than 136,000 wells were shut in and more than 41,000 jobs were lost in the oil and gas industry in our country. This amounts to 136,000 wells and 41,000 people not producing oil to meet our country's energy needs.

It was during that time that I introduced legislation aimed at reducing the cost of production for independent oil and gas producers. The bill seeks to boost domestic production by lowering the tax burden on small producers, increasing the credit for advanced oil recovery and calling for a strategic plan that would include additional research and development on secondary and tertiary oil recovery to address our national security needs.

While the focus now is on the cost of energy paid by the American consumer, the solution for today's consumer is the same as the solution for the problem of the independent oil and gas producer. We must encourage production in our domestic industry and limit our dependence on foreign supplies of petroleum.

The U.S. is currently importing around \$100 billion of oil a year, one-third of our country's \$300 billion trade deficit. High oil prices are a burden that we all bear. Kansas is a transportation-dependent State with normally cold winter weather. Whether it is the Kansas farmer preparing his field for spring planting, the trucker hauling wheat to the elevator, or the Kansas City commuter on her way to work, we all pay when our dependence on foreign oil becomes too great.

While we may be upset about the current situation, we cannot say that it comes as a surprise. In the last 7 years, U.S. oil production has fallen by nearly 20 percent, while oil consumption has risen by almost 15 percent. During the 25 years since the last oil crisis, our reliance on foreign oil has increased from 37 percent to nearly 60 percent today. America is now at its lowest oil production since World War II. We are importing 10.5 million barrels of oil a day, and that pattern is expected to only get worse. The Department of Energy

predicts that by the year 2010, a mere 10 years from now, we will import nearly 80 percent of our energy needs.

Today's higher crude prices alone are insufficient to increase domestic production, particularly in the short run. Kansas producers have lost much of their equity and find it very difficult to convince lenders to take the necessary risks to explore and develop new leases. When prices are dependent upon the actions of OPEC rather than only free market forces, the ability to take those risks necessary to find and produce new sources of oil are limited.

Does the small Kansas producer invest the necessary money, not knowing what the world price will be tomorrow? In Kansas the average daily production is 2.2 barrels per day per well. The cost per barrel is very high and the price received from that barrel determined by foreign suppliers. The stability which comes from greater control of our own destiny through increased domestic production is what is required.

The current situation is a clear signal for congressional action. The U.S. is producing less and less oil. Oil rigs and production have fallen by 77 percent since 1990. It is our obligation in Congress to develop tax policies, regulatory policies, and research funding that will allow us to raise domestic production to meet the future demands of the U.S. economy.

Our strategy for dealing with our future energy needs must be something more than simply begging at OPEC's doorstep.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. JONES) is recognized for 5 minutes.

(Mr. JONES addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

PUTTING THE FEDERAL BUDGET IN PERSPECTIVE

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, the gentleman from Ohio (Mr. KASICH) is recognized for 60 minutes as the designee of the majority leader.

Mr. KASICH. Mr. Speaker, I thought that I would take a little bit of time, uninterrupted time for a while, to kind of run through what we will anticipate happening this week on the presentation of the budget that will occur later in this week.

I think that it is very important that we try to put everything that we are going to do here this week in some kind of a perspective. It is very important that we take a look at where we were and where we are today, because rarely in regard to this Federal Government do we usually have a success story. It is very rare that we have success stories as it relates to Washington or the actions of the Congress, but I am a believer that whenever you have one,

you ought to tell that story, because there are a lot of people that become very cynical, a lot of young people who have very little faith in this system; and it is important to say that, while we as citizens ought to frankly be critical of our government, that is a healthy thing, it limits the size and the power of government, there are times when we ought to recognize the good things we do, and we ought to celebrate some of them.

That is not to say that government does not have its role. It does. But government's role ought to be limited. It ought to do things that cannot be accomplished in the private sector; and whatever it does do, it ought to do effectively, and we ought to have respect for it.

I think what has happened in our country over the period of the last 50 years is that government has tried to be all things to all people. Whether you want to be all things to all people in government or whether you want to be all things to all people as the manager of a baseball team, you cannot do it. You have to figure out what you want to concentrate on, because if you do not concentrate and have a few priorities, you will not do anything well.

I think there is a growing perception in the country, and it is a reality, that the Government does too many things and not enough things well.

Back when I first came to Congress in 1983, I was sworn in shortly after the beginning of 1983, if I were to have told you in those years that we were going to actually have a balanced budget, I would either have had to have been running for President making another promise that would not be fulfilled, or you would laugh at me.

In fact, just a short period of time ago, all the way in 1997, we were looking at deficits that were going to be in the hundreds of billions of dollars, adding to an already very large national debt, both a national debt comprised of money that we owe ourselves, our IOUs to programs like Social Security, plus raising the publicly held debt, which is the amount of money we owe to Americans who gave their money in exchange for bonds, government bonds that they held. This national debt was skyrocketing and our deficits were going up by hundreds of billions of dollars every single year.

Well, in 1997, after a long and hard fight that actually started before 1995, but when the Republicans finally took control of the House of Representatives and the United States Senate, we made a commitment that we were going to balance the budget by 2002. We said that we needed to stop the flow of red ink, that we needed to do this because our children really should not be saddled with these tremendous debts. I think that most Americans said that is exactly right; it is about time that we get ourselves in a situation where we are not going to ring up more and more debt.