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House of Representatives

The House met at 9 a.m.

The Reverend Dr. Nelson Price, Roswell Street Baptist Church, Marietta, Georgia, offered the following prayer:

Mr. Speaker, to you and your colleagues, it is a privilege to pray in your presence as I do often in your absence.

Dear Lord, with a firm belief that our Nation was given birth because of Your concurring aid, we come again to ask Your aid.

Renew within us the fervor and faith of our founders that we might truly be ''one Nation under God.''

Rekindle the ardor and the awe of our predecessors that we may avoid a state of spiritual impoverishment and shrunken moral aspiration.

We praise You for the bounty of the land and Your blessings on the people. In gratitude we bow before You imploring You to give wisdom that supersedes knowledge to those who govern here.

In Your Holy Name I ask it. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Massachusetts (Mr. MOAKLEY) come forward and lead the House in the Pledge of Allegiance.

Mr. MOAKLEY led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The gentleman from Georgia (Mr. BARR) will be recognized for 1 minute. All other 1-minutes will be postponed until the end of the day.

WELCOMING REVEREND DR. NELSON PRICE

(Mr. BARR of Georgia asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BARR of Georgia. Mr. Speaker, it is a wonderful pleasure and true honor along with my colleague JOHNNY ISAKSON of the Sixth District to welcome Reverend Nelson Price to this great body, the people's House, today. We also extend a welcome on behalf of the House of Representatives to his lovely wife Trudy who is with him here today.

Reverend Price has been the pastor at Roswell Street Baptist Church, as the Speaker indicated, for close to 35 years. During those 35 years, he has ministered to countless thousands of God's children, both in his parish, visitors to his parish, citizens of his community, citizens of this land and indeed citizens around the world.

His voice truly, Mr. Speaker, is one of those voices that President Reagan spoke about in his second inaugural address of 1985 when he spoke of the American sound. The American sound that in the words of President Reagan echoed out across the prairies, across the mountains as the settlers moved west, as our Nation prospered, as our Nation fought wars during the lonely hours of Presidents seeking to retain the Union and preserve the Union, that American sound, as President Reagan admonished all of us in 1985, is always waiting to be passed on as a torch to a new generation so that it continues to echo for freedom, truth, honor and dignity and the belief and a recognition that our Nation truly was founded by the hand of God and to whom we have a special responsibility.

We heard a continuation of that American sound today in the words of Reverend Nelson Price. As Nelson Price prepares to retire from the active ministry at the end of this year in November after 35 years as the pastor of Roswell Street Baptist Church and its some 9,000 members, I know that I speak for all Members of this body and for the Speaker in wishing him well and Godspeed.

WITHDRAWING APPROVAL OF UNITED STATES FROM AGREEMENT ESTABLISHING WORLD TRADE ORGANIZATION

Mr. REYNOLDS. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 528 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 528

Resolved, That upon the adoption of this resolution it shall be in order to consider in the House the joint resolution (H.J. Res. 90) withdrawing the approval of the United States from the Agreement establishing the World Trade Organization. The joint resolution shall be considered as read for amendment. The joint resolution shall be debatable for two hours of debate equally divided among and controlled by the chairman and ranking minority member of the Committee on Ways and Means, Representative Paul of Texas, and Representative DeFazio of Oregon or their designees. Pursuant to section 152 of the Trade Act of 1974 and section 125 of the Uruguay Round Agreements Act, the previous question shall be considered as ordered on the joint resolution to final passage without intervening motion.

The SPEAKER. The gentleman from New York (Mr. REYNOLDS) is recognized for 1 hour.

Mr. REYNOLDS. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from Massachusetts (Mr. MOAKLEY), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

(Mr. REYNOLDS asked and was given permission to revise and extend

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his remarks and include extraneous material.)

Mr. REYNOLDS. Mr. Speaker, on Monday the Committee on Rules met and granted a closed rule for H.J. Res. 90, a bill to withdraw the approval of the United States from the agreement establishing the World Trade Organization. The rule provides for 2 hours of general debate equally divided and controlled by the chairman and the ranking member of the Committee on Ways and Means, the gentleman from Texas (Mr. PAUL) and the gentleman from Oregon (Mr. DEFAZIO).

Mr. Speaker, 6 years ago this body passed legislation known as the Uruguay Round Trade Agreements. The legislation established the World Trade Organization, or WTO, which replaced the General Agreement on Tariffs and Trade, or GATT, with a more comprehensive and workable trade agreement.

In ''Democracy in America,'' Alexis DeTocqueville wrote that ''in democracies, nothing is more great or more brilliant than commerce.'' In our great democracy, this United States is the world leader in the global marketplace, affecting the lives and quality of life of millions of American workers, farmers and businesspeople who depend on open and stable world markets. The United States is the world's leading exporter and importer, trading over $2 trillion worth of goods and services each year in the international marketplace.

While the underlying measure would not necessarily provide for the President to withdraw from the WTO, it would call the United States global future into question. Without a solid defeat of this measure, Congress will send the wrong message to the other 135 member countries. U.S. participation and strong leadership in the WTO is an integral part of the success of the stable trade environment the organization is creating.

Mr. Speaker, the Committee on Ways and Means reported this bill unfavorably on June 12. The committee reasoned that continued U.S. participation in the global trading system is vital to America's long-term economic and strategic interests, continued prosperity and strengthening the rule of law around the world. In reporting the bill unfavorably, the committee reinforced a fundamental fact that this is a Nation of leadership, not of isolationism.

The WTO provides a forum to lower tariffs and other barriers to international trade. This is not the time for the U.S. to move away from the global economy by sending the wrong message to its trading partners. Additionally, through the World Trade Organization, member countries have established multilateral rules for trade that provide a stable environment for businesses and farmers who export their products. The WTO plays a vital role in enforcement and resolution of trade disputes. In fact, the WTO has been much more effective than its predecessor, GATT, in providing timely resolutions to global trade disputes. Finally, the WTO provides a forum for ongoing negotiations to reduce trade barriers and advance global trade.

Mr. Speaker, the fact is that U.S. exports have increased in the last 5 years under WTO. Our growth in international trade stimulates greater capital investment, higher productivity, technological innovation and more American jobs. American goods, crafted and innovated by the skill and labor of America's workers, are second to none. But our success in selling those goods and services in a global marketplace is assured only through free and open markets. The WTO continues to advance and create those freer and more open markets. We must keep our commitment to our workers and our businesses by allowing the U.S. to continue to be a leader in the global marketplace. Through that leadership and our success, our economy will continue to grow and more jobs will be created. Even more important, we will demonstrate our continued faith in the quality and the productivity of American workers.

Mr. Speaker, I urge my colleagues to support the rule and oppose the underlying bill.

Mr. Speaker, I reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I thank my good friend the gentleman from New York (Mr. REYNOLDS) for yielding me the customary 30 minutes, and I yield myself such time as I may consume.

Mr. Speaker, I rise in support of this rule but in opposition to H.J. Res. 90, the resolution that it makes in order. This rule provides 2 hours of general debate and the time is divided equally between the proponents, the chair and ranking member of the Committee on Ways and Means, and the opponents, the gentleman from Oregon (Mr. DEFAZIO) and the gentleman from Texas (Mr. PAUL). This rule is necessary, Mr. Speaker, because of a provision in the Uruguay Round Agreements Act that authorized the President to accept the United States' membership in the World Trade Organization. Sections 124 and 125 of this act require that the President every 5 years report to the Congress on United States participation in the World Trade Organization.

The purpose of this report, according to the Committee on Ways and Means, is to provide an opportunity for Congress to evaluate the transition of the GATT to the WTO, and also to assess periodically whether continued membership in this organization is in the best interest of the United States. After receipt of this report, Mr. Speaker, any Member of Congress may introduce a joint resolution to withdraw congressional approval of the agreement that establishes the WTO. That resolution is on a fast track which requires committee action within 45 days and up to 20 hours of floor consideration within 90 days unless a rule establishing debate is enacted prior to that time. This is the rule that we are working on.

Mr. Speaker, I do not support withdrawal of the United States from the World Trade Organization. The World Trade Organization and its predecessor, the General Agreement on Tariffs and Trade, or GATT, have opened many foreign markets for U.S. goods and services around the globe, particularly for farmers and for business. While I have expressed opposition to the WTO's opening of its membership to countries such as China, I believe it would be a mistake for the United States to leave this organization and to isolate itself from the world's other industrial nations.

I think most would agree that overall the benefits of the WTO outweigh the costs. However, having said that, there is much room for improvement in the way the WTO operates. The 5-year report by the President to Congress serves to highlight areas where improvements could be made. A significant portion of our current booming economy is due to increased trade abroad through the rules of the WTO and GATT. But this organization needs to be about more than just trade and tariffs.

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It needs to expand its thinking and its priorities and its rulemaking to the quality of life for those populations it has attempted to serve. The WTO policy needs to focus on improving working conditions, not simply global trade but increased worker protection, increased environmental protection, and respect for human rights.

Mr. Speaker, these issues need to be part of any meaningful trade discussions or negotiations, and any rules regarding these areas need to be vigorously enforced.

One of the most important changes would be to lift the veil of secrecy under which the WTO functions. This organization operates almost entirely behind closed doors, and such a policy has only served to heighten the mistrust of those who already question the WTO. This mistrust can be minimized only, only if there is an opening of the agenda and opening of the minds of the membership on the WTO.

There is an urgent need for public access, as well to public input into the WTO. We must address the current makeup of the World Trade Organization and particularly the total absence of representatives from labor, the total absence of representatives from the environment, and total absence from people representing human rights groups and from any other WTO advisory groups.

These entities should be given more access to this organization as it develops its policies and rules that ultimately impact in all of these areas. Enforcement of actions that have been negotiated by the members of the World Trade Organization must be tightened.

The creation of the World Trade Organization was, in part, an effort by the GATT to legally bind member governments to GATT's rules.

American trade negotiators have been successful in winning trade disputes and other violations, but, unfortunately, the enforcement to correct these cases has not been satisfactory. Agreements that have been reached must be enforced for all involved parties.

Whether we like it or not, Mr. Speaker, the world is changing. We truly are moving towards a global economy. The World Trade Organization currently has a membership of 135 nations, with another 32 who seek to join this organization.

I think it would be very detrimental to the United States to pull out of the World Trade Organization at this time. But that does not mean that we should turn our backs on those people and those issues that desperately need to be part of the World Trade Organization's agenda. We can probably do more than any nation to see that these critical but overlooked matters become top priorities with our trading partners.

Mr. Speaker, let us pass the rule, but let us defeat H. Res. 90.

Mr. Speaker, I reserve the balance of my time.

Mr. REYNOLDS. Mr. Speaker, I yield as much time as he may consume to the gentleman from California (Mr. DREIER), the chairman of the Committee on Rules, who is not only an expert, but a global authority on trade issues in the WTO.

Mr. DREIER. Mr. Speaker, that is kind of a frightening introduction, and I hope it did not offend the gentleman from Texas (Mr. PAUL) here.

Mr. Speaker, let me thank my friend for yielding me the time; and I rise, first of all, to compliment my friend, the gentleman from Texas (Mr. PAUL). The gentleman clearly shares my view that we need to do everything that we possibly can to diminish barriers that allow for the free flow of goods and services throughout the world. In fact, the gentleman and I were discussing this issue yesterday, and we both agreed that we very much want to diminish those barriers.

I wish that there were not a single tariff that existed in the world, because we all know that a tariff is a tax; and we, as Republicans, were born to cut taxes.

If you go back to 1947 and look at the establishment of the General Agreement on Tariffs and Trade, it came following the Second World War, and we all know that protectionism played a role in exacerbating both the Great Depression and, I believe and most economists agree, establishing the hand of Adolph Hitler.

Following the defeat of Naziism in the mid-1940s, we saw world leaders come together and establish the GATT. They had one simple goal they put forward. What was it? To decrease tariff barriers. So with that as a goal, the GATT worked for years and years and years, decades in an attempt to bring down those barriers through a wide range of agreements; and as my friend from New York pointed out very well in his statement, we today have the World Trade Organization.

Mr. Speaker, 5 years ago it was established; and it was established again with the continuation of that goal of trying to decrease tariff barriers. There are not 135 nations that belong to the World Trade Organization, and I am not going to stand here and argue that the World Trade Organization is the panacea to all of the ailments of society. I am not going to say that there are not problems within the WTO. And I know that my friend from Houston will clearly point those out; but I am one who has concluded that we cannot let the perfect be the enemy of the good, because clearly the goal of the WTO is to cut taxes, to decrease those tariffs.

I think that it is the right thing to do. I am very pleased to have my friend from South Boston, the distinguished ranking minority member of the Committee on Rules (Mr. MOAKLEY) join in support of continuation of the WTO; and in his statement, he correctly pointed out, that when this was established 5 years ago, there was a provision in the implementing legislation that said that we could have a resolution offered that would allow us to have the debate which we are going to have today dealing with the question of whether or not the United States should maintain its membership in the WTO.

Mr. Speaker, it is very clear to me that if we look at the past 5 years, since we saw the WTO established, it has been an overwhelming success; and I think that the wisest thing for us to do is to point to the economy of the United States of America and the economy of the world.

Today we have the lowest unemployment rate, the strongest economic growth, low inflation. We have very positive economic signs. I believe that that is in large part, not totally, but in large part due to the fact that we have worked to try to diminish those barriers. We very much want to find opportunities for the United States to gain access to new markets around the world. We, time and time again, stand here and point to the fact that 96 percent of the world's consumers are outside of our borders; and as such, we want to do what we can to try and find new opportunities for our workers.

We know that the United States of America being the world's global leader has understood the benefit of imports. We allow the rest of the world to have access to our consumer market, and that benefits us. That is a win-win for us. It allows us to have the highest standard of living on the face of the earth. So what we need to do now is recognize that the WTO is the structure through which we are able to gain access to other countries around the world.

I believe that we have a great opportunity here in a bipartisan way to send a signal that we believe in reducing taxes. We believe in reducing those tariff barriers so that we can allow for that free flow of goods and services, and so I urge support of the rule that would allow us to go ahead and have very vigorous debate. And then as my friend from New York (Mr. REYNOLDS) and my friend from Massachusetts (Mr. MOAKLEY) have said so well, we need to overwhelmingly defeat this resolution.

Mr. MOAKLEY. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio (Mr. TRAFICANT).

(Mr. TRAFICANT asked and was given permission to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, I support the rule. I supported the bill. When the WTO was first proposed, it was deemed unconstitutional. And I believe today if it was put under a microscope, it would be unconstitutional; but Congress made it mainstream. To me that is unbelievable. But my question today is what is happening and, even worse, what has happened to America.

American troops are often under the command of foreign generals. Just think about that. The United Nations now wants to levy a world tax, the same United Nations that uses Uncle Sam like a policeman. And Uncle Sam, as a policeman for the United Nations, saves monarchs and dictators who then screw America by raising oil prices.

Mr. Speaker, then we look at Japan. Think about it. $60 billion a year every year, 20 years in trade deficits, every President from Nixon to Clinton threatened Japan with sanctions if they did not open their markets. Evidently, Japan never opened their markets, and we have done nothing about it. Now, let us look at the big one. China's taking $80 billion a year out of our economy, buying missiles and nuclear submarines with our money, aiming the missiles at our cities and telling America keep your hands off Taiwan and do not question China's military policies.

What has happened to America and what happened to Congress, beam me up, we pledge an oath of allegiance to the Constitution of the United States, not to the charter of the United Nations, and certainly by God, not to the World Trade Organization that has ruled against us every single year, from Venezuelan oil to Chinese trinkets.

This is not a matter of trade. This is not a matter of exclusion. This is a matter of American sovereignty. And by God, I think some common sense should infuse itself into the Congress of the United States who is acting like world citizens who took an oath to the United Nations.

Mr. REYNOLDS. Mr. Speaker, I yield 6 minutes to the gentleman from Texas (Mr. PAUL).

(Mr. PAUL asked and was given permission to revise and extend his remarks.)

Mr. PAUL. Mr. Speaker, I thank the gentleman for yielding to me this time.

Mr. Speaker, it is true that I believe in low tariffs, because it means low taxes. When we had that problem facing us at the time of the constitutional convention, we were able to correct that problem in one sentence, no tariff barriers between the States, and it has been very successful. That is not what we are talking about here today.

We are talking about a very complex treaty, an illegal treaty, an unconstitutional treaty. This is the size of the treaty. This is the size of the agreement. This has nothing to do with trying to reduce taxes. As a matter of fact, when this was passed in 1994, the thought was and the statement was made on the House floor that it would lower taxes; and that I would support.

The truth is, there was an offset for every tax that was lower. Even with NAFTA, one gentleman told me that he immediately benefitted from NAFTA, because the tariff barriers went down. But do you know what happened, there was a reclassification of his product, and his tax went back on because he was a little guy, but the big guys got the benefits.

So there is something very unfair about the system. It is an unconstitutional approach to managing trade. We cannot transfer the power to manage trade from the Congress to anyone. The Constitution is explicit. ''Congress shall have the power to regulate foreign commerce.'' We cannot transfer that authority. Transferring that authority to the WTO is like the President transferring his authority as Commander in Chief to the Speaker of the House.

We cannot do that, and we cannot give up our responsibilities here in the House and relinquish it through a very complex treaty arrangement. Now, even if we had passed this as a treaty, it would not be legal, because we cannot amend the Constitution with a treaty, and that is essentially what is happening here.

What is happening here is the people have lost control and they know it, and that is why the people are speaking out. They are frustrated with us, and they are going to the streets. That is a bad sign. That is a bad sign that we are not representing the people.

The WTO represents the special interests not the people. Why is it that the chairman of the board of Chiquita banana decided in the last 3 years to give $1.6 million to the politicians? Because he will have access to the U.S. Trade Commissioner. Now, it is not us who will vote, but it will be the nonelected officials at the WTO who will fight the battles in an unelected international bureaucracy, the WTO, which acts in secrecy.

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There is something wrong with that. We only have a chance every 5 years to debate this issue. The original bill allowed for 20 hours of debate. That is how important the issue was thought to be. Realizing how difficult that would be and the odds against that happening, I was quite willing to agree to 2 hours of debate. But that really is not enough, because this is a much more important issue than that.

I know the opposition, those who believe in international managed trade through the World Trade Organization, would not like to have this debate at all, because I think deep down inside they know there is something wrong with it. I think that they do not want to hear the opposition.

I am absolutely convinced that truth is on our side, that we will win the debate, disregarding the vote. But we have a greater responsibility here than just to count the votes. We have a responsibility to try our best to follow the law of the land, which is the Constitution; and quite clearly we do not have the authority to transfer this power to unelected bureaucrats at the WTO.

The WTO has ruled against us, stating that the Foreign Corporation tax sales credit is illegal; and we have promised by October 1 to rescind this tax benefit, and unfortunately we will. I would like to know from the Committee on Ways and Means when this is going to happen, how we are going to do it, because it is going to be a $4 billion increase on our taxes. This will be passed on to the people. At the same time the European Community is preparing to file a case against the U.S. in the WTO to put a tax on international sales.

In Europe there is a tax on international sales. If you buy software over the Internet, you are charged a sales tax. The Europeans said they will absolutely not reduce that tax. In America we do not have that tax, which is wonderful. So for the Europeans, what would the logical thing be? If you can transfer value over the Internet, they buy their software from us. That is good. Since they refuse to lower their taxes, they are going to the WTO to get a ruling. Well, maybe they will rule against us. They may well call it a tax subsidy. What will we do? We are obligated, we are obligated under the rules, to accommodate and change our laws. We have made that promise. Some will say, Oh, no, we still have our sovereignty. We do not have to do it. What happens? Then the complaining nations go to the WTO who then manages a trade war. They permit it. This results in a continual, perpetual trade war managed by the WTO, something we need to seriously challenge.

Mr. MOAKLEY. Mr. Speaker, I yield 5 minutes to the gentleman from Oregon (Mr. DEFAZIO).

Mr. DEFAZIO. Mr. Speaker, I thank the gentleman for yielding the time.

This debate is going to be constrained today in the House. It is being held at an unusually early hour, with little notice to Members, except at 11 o'clock last night; and the debate itself is constrained by this rule to 2 hours, although the legislation which passed this body, a lame duck Congress, I might add, without any amendments allowed, was to have up to 20 hours of debate.

This should be an important debate, with the United States running this year probably a $300 billion-plus trade deficit, something that we cannot do forever without dire consequences, although the gentleman from California spoke eloquently earlier about how wonderful it is to import things. Of course, if you import more than you export, you are losing jobs and you are running up a tab with foreign nations, and the U.S. is running up a tab at a record rate, $300 billion a year, probably $80 billion with China this year. We are helping to finance their military expansion and other things that the dictators are doing over there with our addiction to their extraordinarily cheap exports. But there are problems that come with those cheap exports, in addition to the loss of U.S. jobs.

But what particularly concerns me here today is the fact that the debate is constrained; it is at an early hour, and this follows a pattern. The original adoption of the legislation that bound the U.S. to the WTO was passed in a lame duck Congress, when the Democrats had just lost the House of Representatives, and it was brought up under extraordinary procedures that allowed no amendment.

Luckily, that law has not been renewed, the so-called fast track legislation, allowing a President to negotiate an incredibly complex agreement and then bring it to Congress and say oh, you can't change anything, because if you change it that is the end of it and the U.S. will be an isolationist. That is what we are going to hear again today, you are either for an isolationist or you are for engagement. I am for engagement with the rest of the world and for trading with the rest of the world, but just not under these rules, not under the secretive WTO organization, not under an organization that resolves disputes between parties in secret tribunals.

Now, when I first brought this up during the original deliberations under GATT to then Mickey Kantor, the President's special Trade Representative, I said, You know, how can the U.S. bind itself to an organization that will resolve disputes in secret tribunals with no conflict of interest rules, to intervenors, not public scrutiny? How can the U.S. bind itself to that, and they can overturn our laws?

He said Oh, you don't understand. They can't overturn our laws. All they can do is fine us in perpetuity if we want to keep our laws.

I said, Oh, that is an interesting and subtle distinction.

But that is the way it works. And there a list of U.S. laws, thus far ones most people apparently do not care a lot about, Marine Mammal Protection

Act, Endangered Species Act, Clean Air Act.

But now there is one on the radar screen. They want us to change our tax laws, $4 billion-a-year subsidy. Now the Europeans have won the decision against the United States that would mandate that the United States change its tax laws, a $4 billion-a-year subsidy to the largest corporations in America.

Now people are getting a little bit excited about this process, Marine Mammal Act, you know, sea turtles, you know, Endangered Species Act, Clean Air Act. It did not register on the radar screen downtown with the Clinton administration. It would be different if we had a Democratic administration, I guess. But when it is a tax break for foreign corporations, now they are pulling out all stops.

Of course, the U.S. has had some victories. The U.S. banana growers, wait a minute, we do not grow bananas in the United States. Well, a large political contributor who owns control of the company that grows bananas under U.S. corporate ownership won a major decision against the Europeans, which is decimating the small growers in the Caribbean. The U.S. has forced the Europeans or is now penalizing the Europeans or fining the Europeans for not letting in hormone-laced beef. These are the kinds of decisions we are getting out of the WTO.

Now, this process needs to change. Even the President says it needs to change. He wants labor included. He wants environmental things included in the future in the WTO. But, guess what? This organization is not very likely to change. It would require a two-thirds or maybe a three-quarters vote, the rules are not quite clear, to change the charter in those ways, and, as we all noticed, the whole Seattle round fell apart just because the U.S. was asking that we might have a meaningless, nonbinding working group on labor rights or environmental considerations in the future.

This organization needs dramatic change. Unfortunately, the only choice we are going to be given here today is not to vote to begin a process of the U.S. pressuring the WTO for change or amending the WTO agreement itself, but an up or down vote under very constrained debate on whether or not the U.S. will be in the WTO.

I regret those conditions, and will urge Members to vote for the resolution.

Mr. MOAKLEY. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts (Mr. FRANK).

Mr. FRANK of Massachusetts. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, I want to talk about internationalism. Many of us who have been critical of some aspects of the World Trade Organization and in particular have been critical of an international economic policy which consists entirely of freeing restraints on capital and paying no attention to the problems it can calls for worker rights and for environmental problems, we have been accused sometimes of not caring enough about poor people overseas.

Well, I think it is time to focus on the question of who is trying to alleviate poverty overseas in its fullest, because, without question, the single most important thing that this Congress will consider, dealing with poverty overseas, grinding, abject, life-threatening poverty, is international debt relief.

Last year the House Committee on Banking and Financial Services, on which I serve in a bipartisan way, brought forward legislation that created a framework within which the United States could grant debt relief to the poorest countries in the world, countries, in some cases, that had been run by thugs and crooks who had indebted their countries, and these are now countries where people are going without the basic necessities of life because of the need to make debt payments. So a very impressive coalition of religious and charitable and welfare-oriented and private sector groups have come together to press for international debt relief.

Unfortunately, the Committee on Appropriations last year grudgingly voted only some the money that was necessary. This year we were hoping that we could, within the legislative authorization that is already there, get enough money to complete debt relief, debt relief that is being urged by the Pope, by every major religious organization, by every group internationally that cares about alleviation of poverty and fighting disease.

What have we gotten from the majority party? Basically, not very much. The appropriations process is going forward, and so far the result has been an unwillingness to vote the funds for debt relief.

So we ought to be clear. We have people among us, and I am not saying I have not heard from the business community, from all the internationalists, who wanted the World Trade Organization, who wanted permanent trade with China, I have not heard from them. So I have to ask the question, do we have people for whom internationalism and concern for others means a chance to make some money?

Now, making money is a good thing. It helps the people who make it and it helps the rest of us. But when people are internationalists only because they are looking for a chance to increase their profit margins by trade with China, and they are silent when debt relief for desperately poor people in Africa and Asia and elsewhere is denied, I have to say that my guess is we are talking about self-interest, rather than internationalism and concern for the poor. Self-interest is not a bad thing. What is bad here is not the actual motive, but the pretense.

So I would hope that in the spirit of internationalism, I would hope that this spirit of internationalism turns out to be more than a license to make some more money in China. I would hope that the spirit of internationalism does not turn out to be an understanding of the attractiveness of low-wage, non-environmental, no-OSHA type activities as a place to invest. I would hope it would show as a genuine concern for sharing the vast resources of this country and other wealthy countries with poor people. But so far that is not what is happening. So far, the Subcommittee on Foreign Operations just voted, and essentially voted virtually nothing, I think 20 percent of what was needed for debt relief.

Now, this is poverty alleviation. This is a case of people who are desperately hungry, children who do not have food or medical care, people who do not have shelter; and if the majority party's appropriation goes forward, what little revenue these people are able to get will be extracted for debt payments, debts contracted in many cases by thugs working with irresponsible financial institutions.

So we will have a test over the next month of internationalism. Right now we have a very incomplete internationalism. The rest of the world, poor countries as a venue in which to make money, then we are all for it. And as I said, I think in and of itself making money is a good thing. But when a request for relieving these people of debts, which are grinding them into poverty, debts which are dysfunctional in their impact on these economies, when every significant religious leader, every international-oriented organization, every group concerned with health care and child welfare and food says our highest priority is debt relief, and the majority party responds by saying, Oh, sorry, not this year, then internationalism does not look very good.

Mr. MOAKLEY. Mr. Speaker, I yield 4 minutes to the gentleman from Indiana (Mr. ROEMER).

Mr. ROEMER. Mr. Speaker, I thank my good friend from Massachusetts for yielding me time.

Mr. Speaker, as a new Democrat, I rise in strong support of fair trade, not unfettered free trade, and I also rise in support of the rule, but against the underlying bill.

As a fair trader, as a new Democrat who believes that the trade deficit that we seem to build month by month by month is becoming a bigger and bigger problem, but also as a Member of Congress who believes that we need to pry open and penetrate new markets overseas so that we can export products, not jobs, we need a working, viable, reformed, modernized WTO.

□ 0945

Now, the gentleman from Oregon (Mr. DEFAZIO), my good friend, said we need dramatic change in the WTO. I agree. I agree with that statement. I think where we differ is that I believe we need dramatic and fundamental

change in the WTO to emphasize human rights, to emphasize labor law, to enforce and implement the trade laws that we in the United States have on the books to protect our jobs in the Midwest and throughout the country, but we do not want to blow up the WTO, and that is what this vote is about. We do not want to mow it down, we want to modernize it. We want to improve it, not remove it.

The WTO needs to do a much better job of enforcing the trade laws that we have, whether that be the 1995 South Korean automobile trade law that I do not think is well enforced from an American perspective. The WTO needs to do a much better job of implementing trade laws, of insisting on the rule of law and transparency in our trade laws. However, Mr. Speaker, when we had the debate for the last 4 or 5 years about the United Nations, most of us said with respect to the United Nations, let us change the bureaucracy and get rid of some of it; let us change what we contribute; we contribute too much today to the United Nations; let us leverage some of our aid to the United Nations to get them back to their original mission, but let us not blow up the United Nations. They do some wonderful things to help the poor, for food relief; and, as Kofi Annan said, one in five people, one in five people in the world live on less than $1 per day. One in five people do not have access to safe drinking water. We need the United Nations, but we need to reform it.

With the WTO, we need a working, viable, modernized, revolutionized, reformed WTO; but this vote would remove the WTO. So let us work together to get dramatic change. Let us work together to put more emphasis on labor law and human rights, on enforcement and implementation. Let us pass the rule, and let us defeat this underlying bill.

Mr. MOAKLEY. Mr. Speaker, I yield 3 minutes to the gentleman from Illinois (Mr. LIPINSKI).

(Mr. LIPINSKI asked and was given permission to revise and extend his remarks.)

Mr. LIPINSKI. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, as we enter the 21st century, we see that the American dream is still alive. America is still a place where an honest day's work can get one an honest day's pay. But we see that it is beginning to be challenged. It is being challenge because America is giving up its sovereignty to foreign bureaucrats, because we are losing control over our own laws. It is being challenged because America is giving up its democratic principles to a secret multinational trade organization that does its work behind closed doors. It is being challenged by workers in other nations who cannot enjoy the same freedoms and benefits American workers receive.

Foreign workers who work for pennies a day, foreign workers who work in dangerous and hazardous conditions, foreign workers who work without health benefits, foreign workers who are forced to live in dirty environments, breath dirty air and drink dirty water, foreign workers who cannot organize and speak out for fair wages and fair benefits. Foreign workers who, because of such conditions and through no fault of their own, turn out cheap products and dump them in the United States of America.

It is unfair for American workers to compete with foreign workers on an unfair playing field. It is also unfair for foreign workers to have to work every day in such miserable conditions.

In this world, in this type of global economy, where labor and environmental safeguards are not in place, where the majority of the World Trade Organization members continue to stall and delay and fight against real reform, all workers will continue to suffer while corporate profits skyrocket.

Remember that the American dream is just not for Americans; it is also something that is sought by many people around this world. It is a hope for a better life for workers and their families. Unfortunately, for many in this world, it will be a hope that will never become a reality.

A number of my colleagues here in this body have urged the WTO to establish real reform and put labor and environmental safeguards into place. So far, that has fallen upon deaf ears. That is why I plan to vote for H.J. Res. 90. In its current form, the WTO only ensures economic prosperity for the elite multinationals and leaves millions and millions of workers behind. We need to send a signal to the WTO that if they do not get serious about reform, we will push even harder. We have only begun the fight.

Mr. Speaker, I believe we need real reform of WTO. We need real reform that will bring the American dream to everyone, so workers around the world can have a real hope of achieving happiness.

Mr. MOAKLEY. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. REYNOLDS. Mr. Speaker, I yield myself such time as I may consume.

The WTO provides a forum for ongoing negotiations to reduce trade barriers and advance global trade. The fact is that U.S. exports have increased in the last 5 years under WTO. Our growth in international trade stimulates greater capital investment, higher productivity, technological innovation, and more, I repeat more, American jobs. American goods crafted and innovated by the skill and labor of America's workers are second to none. But our success in selling those goods and services in a global marketplace is assured only through free and open markets. The WTO continues to advance and create those freer and more open markets.

We must keep our commitment to our workers and our businesses by allowing the United States to continue to be a leader in the global marketplace. Through that leadership and our success, our economy will continue to grow and more jobs will be created. Even more important, we will demonstrate our continued faith in the quality and the productivity of the American workers.

Mr. Speaker, I urge my colleagues to support the rule and oppose the underlying bill.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore (Mr. ISAKSON). The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. DEFAZIO. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 343, nays 61, not voting 30, as follows:

[Roll No. 298]

YEAS—343

Ackerman	Chambliss	Fowler
Aderholt	Chenoweth-Hage	Franks (NJ)
Allen	Clement	Frelinghuysen
Archer	Coble	Gallegly
Armey	Coburn	Ganske
Baca	Collins	Gekas
Bachus	Combest	Gephardt
Baird	Condit	Gibbons
Baker	Conyers	Gilchrest
Baldacci	Cooksey	Gillmor
Baldwin	Cox	Gilman
Ballenger	Coyne	Gonzalez
Barcia	Cramer	Goode
Barr	Crane	Goodlatte
Barrett (NE)	Crowley	Goodling
Barrett (WI)	Cummings	Gordon
Bartlett	Cunningham	Goss
Bass	Danner	Graham
Bateman	Davis (FL)	Granger
Becerra	Davis (VA)	Green (TX)
Bentsen	Deal	Green (WI)
Bereuter	DeGette	Greenwood
Berry	Delahunt	Gutknecht
Biggert	DeLay	Hall (OH)
Bilbray	DeMint	Hall (TX)
Bilirakis	Deutsch	Hansen
Bishop	Diaz-Balart	Hastings (FL)
Bliley	Dickey	Hastings (WA)
Blumenauer	Dicks	Hayes
Blunt	Dixon	Hayworth
Boehlert	Doggett	Hefley
Boehner	Dooley	Herger
Bonilla	Doolittle	Hill (IN)
Bono	Doyle	Hill (MT)
Borski	Dreier	Hilleary
Boswell	Duncan	Hinojosa
Boucher	Dunn	Hobson
Boyd	Edwards	Hoeffel
Brady (PA)	Ehlers	Hoekstra
Brady (TX)	Ehrlich	Holden
Bryant	Emerson	Hooley
Burr	English	Horn
Buyer	Eshoo	Hostettler
Callahan	Etheridge	Houghton
Calvert	Evans	Hoyer
Camp	Everett	Hulshof
Canady	Ewing	Hunter
Cannon	Farr	Hutchinson
Capps	Fattah	Hyde
Cardin	Fletcher	Inslee
Castle	Foley	Isakson
Chabot	Forbes	Istook

Jenkins
John
Johnson (CT)
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kasich
Kelly
Kennedy
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Knollenberg
Kolbe
Kuykendall
LaFalce
Lampson
Lantos
Larson
Latham
LaTourette
Lazio
Levin
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (NY)
Manzullo
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McHugh
McInnis
McIntyre
McKeon
McKinney
McNulty
Meehan
Menendez
Metcalf
Millender-McDonald
Miller (FL)
Miller, Gary
Minge
Mink
Moakley
Mollohan
Moore
Moran (KS)
Morella
Murtha
Myrick
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Ortiz
Ose
Oxley
Pascrell
Pastor
Paul
Pease
Pelosi
Peterson (PA)
Petri
Phelps
Pickering
Pickett
Pitts
Pombo
Pomeroy
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryan (WI)
Ryun (KS)
Sabo
Salmon
Sanchez
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaffer
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen
Smith (MI)
Smith (TX)
Smith (WA)
Snyder
Souder
Spence
Spratt
Stabenow
Stearns
Stenholm
Stump
Stupak
Sununu
Talent
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thornberry
Thune
Thurman
Tiahrt
Toomey
Traficant
Turner
Udall (CO)
Upton
Vitter
Walden
Walsh
Wamp
Watkins
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Weygand
Whitfield
Wicker
Wilson
Wise
Wolf
Wu
Young (FL)

NAYS—61

Berkley
Bonior
Brown (FL)
Brown (OH)
Capuano
Clay
Clyburn
Costello
Davis (IL)
DeFazio
DeLauro
Dingell
Filner
Frank (MA)
Frost
Gejdenson
Gutierrez
Hilliard
Hinchey
Holt
Jackson (IL)
Jackson-Lee (TX)
Johnson, E. B.
Kucinich
LaHood
Leach
Lee
Lewis (GA)
Lipinski
Lofgren
Maloney (CT)
Markey
McGovern
Meek (FL)
Miller, George
Nadler
Napolitano
Obey
Olver
Owens
Pallone
Payne
Peterson (MN)
Rothman
Rush
Sanders
Schakowsky
Sherman
Skelton
Slaughter
Stark
Strickland
Thompson (MS)
Tierney
Towns
Udall (NM)
Velazquez
Visclosky
Waters
Watt (NC)
Woolsey

NOT VOTING—30

Abercrombie
Andrews
Barton
Berman
Blagojevich
Burton
Campbell
Carson
Clayton
Cook
Cubin
Engel
Ford
Fossella
Jefferson
Largent
Martinez
McIntosh
Meeks (NY)
Mica
Moran (VA)
Packard
Porter
Roybal-Allard
Smith (NJ)
Sweeney
Vento
Wexler
Wynn
Young (AK)

□ 1015

Ms. JACKSON-LEE of Texas and Messrs. STRICKLAND, LEACH, and PALLONE changed their vote from ''yea'' to ''nay''.

Ms. GRANGER changed her vote from ''nay'' to ''yea''.

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. FOSSELLA. Mr. Speaker, on rollcall No. 298 I was inadvertently detained. Had I been present, I would have voted ''yea.''

Mr. BURTON of Indiana. Mr. Speaker, on the vote for H. Res. 528, I was unavoidably detained. Had I been present, I would have voted ''yea.''

Mr. MICA. Mr. Speaker, on rollcall No. 298, rule for H.J. Res. 90, I was detained due to the malfunctioning of my office electronic voting signal equipment. Had I been present, I would have voted ''yes.''

Mr. CRANE. Mr. Speaker, pursuant to House Resolution 528, I call up the joint resolution (H.J. Res. 90) withdrawing the approval of the United States from the Agreement establishing the World Trade Organization, and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The text of the House Joint Resolution 90 is as follows:

H.J. RES. 90

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress withdraws its approval, provided under section 101(a) of the Uruguay Round Agreements Act, of the WTO Agreement as defined in section 2(9) of that Act.

The SPEAKER pro tempore (Mr. ISAKSON). Pursuant to House Resolution 528, the gentleman from Illinois (Mr. CRANE), the gentleman from Michigan (Mr. LEVIN), the gentleman from Texas (Mr. PAUL), and the gentleman from Oregon (Mr. DEFAZIO) each will control 30 minutes.

The Chair recognizes the gentleman from Illinois (Mr. CRANE).

GENERAL LEAVE

Mr. CRANE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.J. Res. 90.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. CRANE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong opposition to H.J. Res. 90, a resolution to withdraw congressional approval of the agreement establishing the World Trade Organization. The Committee on Ways and Means reported this resolution with an adverse recommendation by a vote of 35 to nothing.

Put simply, the consensus in the committee was that it would be unthinkable and illogical for the United States to withdraw from the WTO.

The WTO stands apart from many other international institutions in that it functions on a day-to-day basis almost completely in favor of American interests. In setting international rules for trade, the United States has had to make relatively few concessions in exchange for having open access to consumers in 136 other countries.

The WTO system is fundamentally American-based rules of the road for commerce that limit discriminatory trade barriers and damaging sanctions. Because of the strength of U.S. leadership since World War II, our trading partners have been willing to accept the structure of fair trade rules and principles.

Congress has been heavily involved in the development of these rules and principles since the establishment of the GATT in 1947. At the same time, the WTO cannot prevent the United States from establishing whatever level of food, safety, or environmental protection on imports that we see fit to impose. The WTO system of fair play only requires that we apply the same standards to both foreign and domestic producers.

Since its inception in 1995, the WTO has functioned effectively, aiding our efforts to increase job-creating U.S. exports. The best engine for our impressive economic growth has been expanding international trade under the oversight of the WTO.

Since 1995, exports have risen by $235 billion. When we increase exports, in particular, we are increasing the number of high-wage high-tech jobs in cities and towns across America. There is absolutely no better strategy for improving living standards than to pry away trade barriers and grow foreign markets for U.S. products. Nearly 12 million high-wage American jobs depend directly on our ability to export under predictable rules.

Rules without a mechanism for enforcement would not mean much. The WTO dispute settlement system succeeds in encouraging the resolution of hundreds of trade conflicts through amicable consultations. In the 27 cases where the U.S. filed a formal challenge to foreign practices, we prevailed in 25. Our victories have won millions of dollars in increased sales for U.S. firms and workers.

In establishing the WTO dispute settlement system, Congress insisted on a mechanism with moral authority, but with no power to compel a change in our laws or regulations. Any decision to comply with a WTO panel is solely an internal decision of the United States. In the difficult WTO case against U.S. Foreign Sales Corporations that we are struggling with now, neither the European Union nor the WTO can impose any course of action on the United States.

As the world's leading exporter, the United States benefits enormously from the common sense ground rules of

the WTO, such as national treatment, nondiscrimination, and due process. This is not a perfect organization by any stretch, but to pull out now would mean reverting to a dark time 60 years ago when international trade was governed by political whim and a dangerous absence of rules and fair practices.

I urge a no vote on H.J. Res. 90.

Mr. Speaker, I reserve the balance of my time.

Mr. LEVIN. Mr. Speaker, I ask unanimous consent to allow a nonmember of the Committee on Ways and Means to control the balance of the time yielded to me until I am able to return to the Chamber.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. LEVIN. Mr. Speaker, I yield 3 minutes to the gentleman from Maryland (Mr. CARDIN), a distinguished member of the Committee on Ways and Means.

Mr. CARDIN. Mr. Speaker, first let me thank the gentleman from Michigan (Mr. LEVIN) for yielding me this time.

Mr. Speaker, it would be irresponsible for us to support this resolution and to withdraw from international trade community, and I certainly oppose this resolution. But let me point out, I think we can do a better job in this body in monitoring our participation in the World Trade Organization.

Let me just point out a couple points if I might. First, we could improve our antisurge provisions in our own trade laws, our antidumping and countervailing duty provisions in our section 201 relief.

Last year, we had a surge of steel, cheap steel, subsidized steel into the United States which costs us many jobs around our country. We could have done a better job. In fact, we did a better job with the recently negotiated agreement with China. We have a better provision in our current law. The gentleman from Michigan (Mr. LEVIN) was instrumental in incorporating that into statute in the legislation that we approved the permanent NTR. So we could do a better job with all of our trading partners in protecting our industries from illegally imported subsidized products.

Secondly, we could do a better job on the review process. A 5-year review without much preparation and advance is not the way we should be reviewing our participation with the WTO.

Today, Mr. Speaker, I filed legislation, and I would like my colleagues to review it and hopefully join me in supporting, that incorporates the suggestion of Senator Dole and supported by the USTR that would set up a commission composed of five Federal appellate judges to review the WTO dispute settlement reports and to make a report to Congress. This Commission would, if they found that the WTO exceeded its authority, affected our rights under the Uruguay Rounds, acted arbitrarily or decided a case outside of the applicable standards, if that happened, and it has happened that the WTO has made, in the view of legal experts, decisions that do not hold with the precedent and the laws and the obligations under the WTO and Uruguay Rounds, they would make that report to Congress.

Any one of us could file a joint resolution requesting the President to negotiate dispute resolutions within the WTO that address these concerns. If there were three such adverse rulings in a 5-year period, any one of us could file a joint resolution of disapproval of participation in the WTO.

Mr. Speaker, I think that is a more effective way to deal with the review than voting on this every 5 years, when it would be irresponsible to vote in favor of it. If we did that, I think we are showing the WTO that we are watching their decision making very carefully and expect that their decisions will be in compliance with the international standards and the obligations that every Nation with the WTO has agreed to. It would be a more effective review process for us to decide whether we want to continue in the WTO.

I urge my colleagues to support that approach and to reject this resolution.

Today the House will consider H.J. Res. 90, a resolution to withdraw Congressional approval of the Agreement establishing the World Trade Organization (WTO). I voted against this measure in the Ways and Means Committee, and I urge you to join me in voting against this resolution today on the floor. The United States' role as the clear leader in advancing the cause of free and fair trade demands our continued participation in the WTO.

At the same time, there are serious problems in the operations and deliberations of the WTO that we should seek to address. Toward that end, I ask today that you join as a cosponsor on legislation I have prepared which would create a WTO Dispute Settlement Review Commission.

The need for this legislation is clear. Over the past several years, we have witnessed too many instances in which unfounded interpretations of international trade law have led to WTO decisions that adversely impacted U.S. workers and industries. Specific cases involving lead bars, Korean DRAM's, and Japanese film all raised serious issues regarding the processes and conclusions of WTO actions. We need to provide a process by which these decisions can be reviewed by an impartial, nonpartisan panel that has the responsibility to inform the Congress and the American people of its findings.

In 1994 the United States Trade Representative (USTR) wrote to then-Senator Bob Dole to endorse the establishment of a WTO Dispute Settlement Review Commission. The bill I am introducing would revive a proposal made by Senator Dole to create a mechanism to provide that WTO decisions are carefully reviewed to assure the fair and sensible application of the rules of international trade.

The Commission would consist of five federal appellate judges, and would review all final and adopted WTO dispute settlement reports. The Commission would review adverse WTO findings, using the following set of four criteria to determine whether the WTO panel: (1) demonstrably exceeded its authority or its terms of reference; (2) added to the obligations, or diminished the rights, of the United States under the Uruguay Round; (3) acted arbitrarily or capriciously, engaged in misconduct, or demonstrably departed from established panel or appellate procedure in the applicable Uruguay Round Agreement; and (4) deviated from the applicable standard of review, including in antidumping cases, set forth in the 1994 GATT agreement.

The Commission would issue its determination within 120 days after the report is adopted. Upon the issuance of any affirmative determination by the Commission, any Member of each House would be able to introduce a joint resolution calling on the President to negotiate new dispute settlement rules that would address and correct the problem identified by the Commission. The resolution would be privileged and considered under expedited committee and floor procedures.

If there are three affirmative determinations in any five-year period, any Member of each House would be able to introduce a joint resolution to disapprove U.S. participation in the Uruguay Round agreements, again using expedited procedures.

While we may disagree on the appropriate remedy for responding to an adverse WTO panel decision, we all agree WTO panel decisions must treat American economic interests fairly. The Review Commission would raise the visibility of important WTO decisions that have a profound effect on the economy of the United States. I hope that the Commission would also reinvigorate the Congressional oversight role regarding trade policy, and encourage Members of Congress to seriously reflect on WTO decisions and their impact on the United States.

Mr. PAUL. Mr. Speaker, I yield myself such time as I may consume.

(Mr. PAUL asked and was given permission to revise and extend his remarks.)

Mr. PAUL. Mr. Speaker, today we have the opportunity to vote to get out of the WTO. We joined the WTO in 1994 in a lame-duck session hurried up because it was fearful that the new Members would not capitulate and go along with joining the WTO. The WTO was voted by the House and the Senate as an agreement, and yet it is clearly a treaty. It involves 135 countries. It is a treaty. It has been illegally implemented, and we are now obligated to follow the rules of the WTO.

This is the size of the agreement that we signed and voted on in 1994. Now, if that is not an entangling alliance, I do not know what could be. It is virtually impossible to go through this and understand exactly what we have agreed to. But this is it, and this is what we are voting on today. If my colleagues vote against the resolution, they are rubber stamping this. That is what they are doing.

Some argue that, yes, indeed the WTO is not quite perfect. But we need it. We need the WTO to manage this trade. But at the same time, they have no options. We cannot change the

WTO. This is our only opportunity to vote and dissent on what is happening.

The people of this country are being galvanized in opposition to this. They never opposed GATT. GATT did not have the same authority as WTO. But now the WTO is being found to be very offensive to a lot of people around this country.

It is said that the WTO has no control over our sovereignty. That is like saying the U.N. has no control of our sovereignty. Yet what body in the world directs our foreign policy? Where do we send troops around the world? Why do we put our troops under U.N. command? Where do we get authority to march into Kosovo and Somalia? From the United Nations. The WTO is the same.

□ 1030

It is the same sort of thing. It is incrementalism. People say we can always oppose it. That is sort of like saying in 1913, The income tax is not all that bad; it is only 1 percent placed on the rich. We don't have to worry about it. But before we know it, it is out of control. There is incrementalism here to be concerned about.

To the issue of whether or not we are obligated to follow the WTO rules, Congressional Research Service on August 25, 1999, did a study on the WTO. Their interpretation is this:

''As a member of the WTO, the United States does commit to act in accordance with the rules of the multilateral body. It is legally obligated to ensure national laws do not conflict with WTO rules.''

That is why we will be very soon changing our tax laws to go along with what the WTO tells us to do. In an article recently written by D. Augustino, he says:

''On June 5, WTO Director General Michael Moore emphasized the obedience to WTO rulings as not optional. Quote, the dispute settlement mechanism is unique in the international architecture. WTO member governments bind themselves to the outcome from panels and if necessary the appellate body. That is why the WTO has attracted so much attention from all sorts of groups who wish to use this mechanism to advance their interests.''

Indeed, this is a treaty that we are obligated to follow. It is an illegal treaty because it was never ratified by the Senate. Even if it had been, it is not legal because you cannot transfer authority to an outside body. It is the U.S. Congress that has the authority to regulate foreign commerce. Nobody else. We will change our tax law and obey the WTO. And just recently, the European Union has complained to us because we do not tax sales on the Internet, and they are going to the WTO to demand that we change that law; and if they win, we will have to change our law. The other side of the argument being, We don't have to do it. We don't have to do it if we don't want to. But then we are not a good member as we promised to be. Then what does the WTO do? They punish us with punitive sanctions, with tariffs. It is a managed trade war operated by the WTO and done in secrecy, without us having any say about it because it is out of our hands. It is a political event now. You have to have access to the U.S. Trade Representative for your case to be heard. This allows the big money, the big corporations to be heard and the little guy gets ignored.

Mr. Speaker, I reserve the balance of my time.

Mr. DEFAZIO. Mr. Speaker, I yield myself 2 minutes. We have heard already that this organization only has moral authority, no power to change U.S. laws, they cannot impose any action. That is not true. It is patently not true. If the secret tribunal with no conflict-of-interest rules which does not allow intervenors other than the nation states involved, no interest groups, no one else whose laws or interests might be in jeopardy loses a decision, then the complainant nation can impose penalties on you if you do not change your law.

So we are saying, there is no power to change our laws. We can pay to keep them. If we had wanted to continue to protect sea turtles, we could have paid the foreign shrimpers who want to kill sea turtles at the same time they catch shrimp. We could have paid off Venezuela because they wanted to import dirty gasoline if we did not want to allow it to be imported. But no, we changed our laws.

Now, for anybody to say that they do not have leverage, that they cannot make us change our laws is patently untrue unless you are adding the little proviso, U.S. taxpayers can pay for our laws. Well, that is not right.

There are other problems with this. The gentleman from Maryland talked about how we need to improve the antidumping provisions. The antidumping provisions are on the EEC hit list. The European Economic Community has chosen a number of areas of U.S. laws they are going to appeal in the WTO to try and get binding penalties against the U.S. unless we repeal those laws.

They include the restraint of foreign investment in or ownership of businesses relating to national security. National security. So the Chinese could come in and buy up Lockheed Martin. The 1916 anti-U.S. dumping act is in contradiction with the WTO agreement. They intend to file complaints against that. We have a gentleman saying, and I think with great merit, we need to make it stronger, but it is on the target list. If we lose the decision, we have to pay to keep out dumped foreign steel or other goods. The EU is going to go after Buy America provisions. They say those are WTO illegal. Finally, the small business set-aside. It is outrageous the things that are being ceded under this agreement.

Mr. CRANE. Mr. Speaker, I yield myself such time as I may consume.

The distinguished gentleman from Texas (Mr. PAUL) quoted from a Congressional Research Service report and he indicated the U.S. sovereignty was imperiled through membership in WTO.

> As a member of the WTO the United States does commit to act in accordance with the rules of the multilateral body. It is legally obligated to ensure national laws do not conflict with WTO rules.

Not quoted, however, in this quote from Congressional Research Service is the remainder of what was contained in that which states:

> However, the WTO cannot force members to adhere to their obligations. The United States and any other WTO member may act in its own national interest in spite of the WTO rules. The WTO even recognizes certain allowable exceptions such as national security.

That is a direct quote from the Congressional Research Service World Trade Organization background and issues, August 25, 1999. Membership in the WTO is not a surrender of U.S. sovereignty but its wise exercise.

Mr. Speaker, I yield 3 minutes to the gentleman from Arizona (Mr. KOLBE).

(Mr. KOLBE asked and was given permission to revise and extend his remarks.)

Mr. KOLBE. Mr. Speaker, I appreciate the gentleman yielding me this time, and I appreciate his leadership on this issue.

I rise in strong opposition to this resolution. Supporters of it would have us believe that the United States would be better off if we withdrew from the World Trade Organization, but I believe that nothing could be further from the truth. Political leaders and statesmen who created the WTO and its predecessor, the GATT, did so for good reasons. They had lived through some of the darkest days in the history of the world, famine, poverty, war that dominated the lives of millions of people around the world.

Protectionism and economic stagnation put millions of Americans out of work. Factories closed, homes were lost, families were destroyed. They witnessed the havoc which trade wars and military wars and the protectionism that comes from trade wars can bring. And they vowed not to let it happen again. So they created an organization whose sole purpose was to open up closed markets, promote economic growth, provide a forum for the peaceful resolution of trade disputes. This was the GATT, the predecessor to the WTO. And it worked. Since World War II, the world has experienced unprecedented economic growth. Millions of people around the world have been pulled from economic poverty.

But the system certainly was not perfect. So, we tried to correct some of the deficiencies of the past by creating the WTO which would further liberalize trade and provide for an even stronger dispute settlement procedure. Again, I believe the system has worked, especially for the United States.

In the first year of implementation, U.S. exports rose 14.4 percent, seven

times greater than the GDP growth in that same year. When fully implemented, it is estimated that the agreement establishing the WTO will add somewhere between 125 and $250 billion each year to the GDP of this country.

I agree that it is still not perfect, it is an evolving institution. But what is it supporters of this resolution disapprove of? Tariff cuts? Opening export markets? Peaceful dispute resolution? Economic growth? Full employment? And if this is what they disapprove of, what exactly is the alternative that they propose? It is easy to criticize, it is easy to point fingers, to lambaste, but what is the proposed alternative? I have yet to hear anyone that can prove to me that there is a better way than to proceed with the WTO.

We will be hearing a lot today about how our antidumping laws are the cornerstone of U.S. trade policy, critical to our economic growth, that they are responsible for the prosperity we experience today. I say baloney to that. Our antidumping laws are more often than not little more than special interest protectionism for select U.S. industries, protectionism that costs every single American.

Take a look at the recent editorial in the Washington Post, not exactly a conservative newspaper, entitled ''Steel's Deal.'' It says:

''The theory of antidumping cases is that foreigners are protecting their markets, allowing firms to make huge profits at home and sell at a loss to Americans. Even where this is the case, it is not obviously bad. Cheaper steel helps the U.S. carmakers and other manufacturers that buy the stuff, and these firms employ far more American workers than do U.S. steelmakers.''

Mr. Speaker, I could not have said it better. The WTO may not be perfect, but it is the best that we have. I urge a ''no'' vote on this resolution.

Mr. Speaker, I include the Washington Post editorial in its entirety:

STEEL'S DEAL

Sometimes the administration sings anthems to free trade. But last week, faced with a study documenting the steel industry's efforts to hobble foreign competitors, the Commerce Department felt obliged to defend protectionist policies. Rather than concede the obvious facts, a department official pleaded that the U.S. market is relatively open and complained that the study was ''totally ridiculous and absurd'' because it was paid for by foreign steel makers.

It is true that the tariffs and quotas that once excluded foreign steel are mostly gone, thanks to international trade deals. But the new battle has shifted to anti-dumping suits. Whenever foreign imports surge, U.S. makers allege that steel is being ''dumped'' on the U.S. market at prices lower than it would fetch in its country of origin. If the U.S. side can convince a special tribunal that its business is damaged by such dumping, the Commerce Department imposes punitive tariffs on the dumpers. The steel industry uses this device so aggressively that about 80 percent of steel imports from Japan are subject to anti-dumping tariffs or investigations. As of last December, steel accounted for 103 of 250 punitive orders in effect across the economy.

The theory of anti-dumping cases is that foreigners are protecting their markets, allowing firms to make huge profits at home and sell at a loss of Americans. Even where this is the case, it is not obviously bad: Cheaper steel helps the U.S. car makers and other manufacturers that buy the stuff, and these firms employ far more American workers than do U.S. steel makers. But foreign protectionism occurs less often than U.S. industry claims, and these claims get too little scrutiny. Because of pressure from the steel caucus in Congress, the dumping tribunal tends to side with U.S. firms; just last week, a House committee refused to appropriate funds for the tribunal's budget because members disliked one of its recent findings.

In addition to pushing up U.S. prices, anti-dumping actions weaken America's ability to lead the world toward trade liberalization. One reason for the failure of November's Seattle trade summit was that the United States had refused to put its dumping rules on the table. Most countries rightly regard anti-dumping law as a cover for protectionism. In the only test of this suspicion so far, the World Trade Organization's dispute-settlement panel found against a U.S. claim that South Korea's computer-chip ''protectionism'' warranted anti-dumping action.

America's steel industry accounts for a tiny proportion of the national economy. But its lobby fills the campaign coffers of both parties and can distort trade policy. Most American workers, employed in competitive industries that depend on open markets, suffer from this quiet corruption.

Mr. LEVIN. Mr. Speaker, I yield myself such time as I may consume.

I am opposed to this resolution. In a word, globalization is growing. It is here to stay. The question is whether and how we are going to shape it. If you vote yes, I guess you are saying, Don't try to shape it; throw up your hands, retreat from the process. I think the answer instead is to pursue, to persevere, to roll up our sleeves, to understand the strengths of the WTO; and where there is a need for reform to get in there and work for those reforms.

The WTO provides a rule-based foundation for growing international trade. There is no alternative but to have some kind of a global rule-based system. The alternative is anarchy, and that is not in the interest of the U.S. as the largest world trader. The World Trade Organization has also provided a means for us to attack nontariff barriers in addition to the traditional barriers to trade, tariffs, et cetera.

It is far from perfect. We continue to press Japan in terms of their nontariff barriers. We have made some progress through the WTO in certain areas. It also has addressed the new technologies as they evolve in the world. But there are other ways that the WTO has not adapted to change. Now its rulings are binding. They were not under GATT. That means that the procedures have to be more open than they are. We have to eliminate the secret procedures. We should be in there and this administration has been in there fighting for those changes.

Also, more and more globalization includes the evolving economies. That means there are new issues, issues of labor, of worker rights, labor market issues, issues of the environment. The World Trade Organization needs to address these issues. With the help and support of some of us, the administration has been endeavoring to do that.

So, in a word, it seems to me this is the question: If you vote yes, what are you saying? You cannot be saying reform. You cannot reform an organization that you say withdraw from. What you need to do is to get in there and to work at it. That is why I believe there needs to be a no vote.

Let me just say a word about some of the arguments that are used, for example, sea turtles and the Venezuela ruling. What the World Trade Organization said in those cases was the U.S. has to apply the same laws to others as we apply to ourselves. That is not a radical proposition.

Let me comment briefly on what the gentleman from Arizona said. The WTO does not endanger American antidumping laws. Period. The way the Uruguay Round was structured, our antidumping laws can persevere and we can pursue them.

Mr. Speaker, I think to vote yes on this sends the wrong message. It is the message of retreat. It is the message of withdrawal. A yes vote if shaped correctly, and I think we need to do it, says to the world, we are going to be part and parcel of a global organization. Where it has strengths, we will support it vigorously.

□ 1045

Where it has weaknesses we can work actively to change it; that is what we have been doing these last years. That is what we need to do with even greater energy and endeavor. I urge a no vote on this resolution.

Mr. PAUL. Mr. Speaker, how much time do I have remaining?

The SPEAKER pro tempore (Mr. GILLMOR). The gentleman from Texas (Mr. PAUL) has 25 minutes remaining.

Mr. PAUL. Mr. Speaker, I yield myself 15 seconds. It is said that we do not have to listen to the WTO, but they threaten us with sanctions. They do not give us incentives. It is a threat, and we capitulate.

Mr. Speaker, I yield 3 minutes to the gentlewoman from Idaho, (Mrs. CHENOWETH-HAGE).

Mrs. CHENOWETH-HAGE. Mr. Speaker, I rise in strong support of H.J. Res. 90, which would officially withdraw the United States from the World Trade Organization and would fully restore our sovereignty, and I think that is the heart of the problem.

Mr. Speaker, as the recent debacle in Seattle clearly demonstrated, the United States has absolutely no business in a bungling international organization that can unconstitutionally raise our taxes and threaten our sovereignty. The Seattle meeting was touted to be an opportunity for nations to openly and freely discuss multilateral trade agreements.

In truth, this was simply a charade, and most of the meetings were closed door or secret, where certain bureaucrats and countries were allowed to negotiate while others were left at the

doorstep. For instance, some of our own Members of Congress, who are constitutionally responsible for the U.S. citizens they represent, were denied access to these meetings. And all of this happening while protesters were being gassed and shot with rubber bullets by law enforcement.

What a circus, Mr. Speaker. This is not the way that we should conduct trade. This is certainly not the way our Founding Fathers envisioned how we should conduct trade. When the Founding Fathers of our country drafted the Constitution, they placed the treaty-making authority with the President and the Senate, but the authority to regulate commerce was placed with the House and the Senate. As governmental units cannot treaty away authorities they do not have, for example, those reserved only to the States, our Constitution left us with a system that made no room for agreements regarding international trade that does not involve treaties or specific actions by Congress.

Moreover, Mr. Speaker, the Constitution certainly does not give the authority to international entities to tax the American people. Yet, this is exactly what the WTO has done. The WTO recently ruled that $2.2 billion of United States tax reductions for American businesses violates WTO rules and must be eliminated by October 1 of this year.

Now, Mr. Speaker, the Constitution requires that all appropriation bills originate in the House and specify that only Congress have the power to lay and collect taxes. Taxation without representation was a predominant reason for America's fight for independence during the American Revolution. Yet, now we face an unconstitutional delegation of taxing authority to an unelected international body of international bureaucrats.

Mr. Speaker, the bottom line is that we do not need the WTO to maintain free and fair trade. Trade negotiations occurred with great success millennia before the existence of the WTO. So let us return to a system of negotiating trade that is constitutionally founded.

Mr. DEFAZIO. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. GEORGE MILLER).

(Mr. GEORGE MILLER of California asked and was given permission to revise and extend his remarks.)

Mr. GEORGE MILLER of California. Mr. Speaker, I thank gentleman for yielding me the time.

Mr. Speaker, although, I do not think that withdrawing from WTO is the best course of action right now, the organization must be dramatically reformed to continue to enjoy U.S. support.

In addition to incorporating labor rights and environmental protection, the WTO needs to become far more transparent to operate in full public view. Dispute settlement proceedings need to be opened to the public. Civil society needs to be allowed into the process. Developing countries need to be able to fully participate.

But lack of transparency is not just a problem in the WTO. It is a problem in the U.S. relationship with the WTO. Trade policy in this country operated behind closed doors, only a few special interests making decisions for the entire country.

Most of the advisory committees that guide the President of the United States on trade policy are made up solely of industry representatives. The meetings are closed to the public. The process is not transparent. It is not democratic, and it is not right.

The recent court decision said that two Forest Industry Sector Advisory Committees need to include environmental representative. That is what the court says in terms of the public's right to know. This is progress, but it is not enough.

There are still too many committees on tobacco, on chemicals, on all aspects of trade, that are comprised only of industry representatives. And even in a few instances where labor or the environment is actually represented, it is simply a token effort.

Labor, human rights, environmental, and the public need an equal seat at the table. Before the U.S. decides to challenge another country's health or environmental standards as a barrier to trade, we need an open and transparent process. That means before the U.S. lobbies against the EU plan to protect kids from toxic toys, there should be public involvement. The U.S. agency should not just be doing the bidding of industry, they should be representing all Americans.

That is what transparency is all about. I urge my colleagues and the administration to push for greater transparency in the WTO and also in our process here at home that leads up to these trade agreements.

Mr. CRANE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, proponents of the WTO and our colleagues, especially the gentleman from the State of Oregon (Mr. DEFAZIO), have indicated that supporters of the resolution perpetuate the weakening of our clean air rules to implement a WTO-panel decision concerning cleaner burning gasoline. And reality is the issue before the WTO was discrimination against foreign gasoline producers, not the level of environmental protection.

The regulations allowed U.S. refiners three ways in which to meet the standards while giving foreign refiners only one, a clear case of discrimination.

In short, this discrimination gave an opportunity to the WTO dispute settlement panel to hear the case on the grounds of this discrimination and what their panel considered and what they concluded was the level of protection was never an issue rather the U.S., the panel determined, is free to regulate in order to obtain whatever air quality it wishes. We just cannot have that kind of discrimination between the two.

Mr. Speaker, I yield 2 minutes to our distinguished colleague, the gentleman from Pennsylvania (Mr. ENGLISH).

Mr. ENGLISH. Mr. Speaker, I thank the chairman of the Subcommittee on Trade, and I rise to strongly oppose this resolution. The WTO is the keystone of an international trading system that we have belonged to and helped shape since the late 1940s.

This is an essential part of our strategy long term for fair and open trade. The WTO is essential to maintaining a rules-based trading framework that is critical to the little guy in international trade, not just us, and to the small company, participating in international markets.

I have listened to the debate here, and there is no question that the WTO needs reform. We need to improve transparency and its decision making. We need to address the weak and arbitrary dispute settlement process that I have been critical of, but these facts make the case for our involvement, not for our withdrawal, any more than a disagreement with an individual court decision makes the case for our withdrawing from the Constitution. Do any of these individual cases make the case for our withdrawal from the WTO?

We are the greatest economy on earth, and we cannot turn our back on the rest of the world where 75 percent of the world economy is. We need to play in that arena. And the only way we can do it and shape world trade is by participating in the WTO. I have no doubt that some of our trade competitors would delight in seeing us withdraw from the WTO and create a windfall for them and a clear field for their policies.

If we are in favor of fair and open trade, if we are in favor of involving ourselves in a trading system that will continue to improve our quality of life and our economy, it is critical that we engage. I have no doubt in the future if we fail to address a need for reform in the WTO, that there will be a legitimate case for reassessing our involvement, but that case is not been made today. Vote down this resolution.

Mr. DAVIS of Florida. Mr. Speaker, I yield 2 minutes to the gentleman from Indiana (Mr. VISCLOSKY).

Mr. VISCLOSKY. Mr. Speaker, I want to thank the gentleman for yielding me the time, and I want to also sincerely thank the gentleman from Texas (Mr. PAUL) for bringing this resolution to the floor. I, for one, with the greatest reluctance will oppose it. Because as advertised, WTO was to solve many of our problems. It was to be good for America. It was to be good for U.S. workers.

We have heard remarks on the floor today about how our exports have gone up over the last 5 years. What has gone up 120 percent over the last 5 years is our trade deficit. Before the WTO was implemented, our trade deficit was $150 billion. This last year, 1999, it has increased to $330 billion. We have heard that the WTO has put money into the American economy.

I am concerned about putting money in the pockets of American workers. And from my perspective, that has not happened. In constant 1982 dollars, the average American for that average one hour's worth of work, not stock options, not benefits, not executive compensation, one hour's worth of work is making a nickel less 18 years later, so I do not know whose pocket these profits and these renewed incomes are going into.

There has been no progress over the last 5 years, as far as improving international environmental standards. There has been no progress over the last 5 years as far as improving labor rights.

And most recently, there has been an abject failure by the President of the United States and this administration to use the WTO as advertised. It is my understanding that quantitative limitations on the import or export of resources or products across borders is violative of international trade law. As we debate this moment, OPEC nations are meeting in Europe fixing the production of oil, and it is causing a crisis for the taxpayers in this country and the President has not filed a complaint under the WTO.

Mr. PAUL. Mr. Speaker, I yield myself 30 seconds.

Mr. Speaker, let me remind those who would like to reform the WTO that we are helpless, Congress cannot do that. We need a unanimous consent vote from the WTO members. So that is not going to happen. Even the committee describes what we are talking about as a system of fair trade administered by the WTO. Fair trade, fine, we are all for fair trade, but who decides the WTO? That is not fair to the American citizens.

Mr. Speaker, I yield 3 minutes to the gentleman from Michigan (Mr. STUPAK).

Mr. STUPAK. Mr. Speaker, I thank the gentleman for yielding me the time.

Mr. Speaker, I rise in support of the Paul amendment, and some will see that as unnecessary, and they say work with the WTO and it will only get better. But what we have seen under the WTO is a tax on our environment, our health and safety standards, and we continue to have steel dumping here in the United States.

I am concerned about our American sovereignty. Our democratic form of government is threatened by trade agreements like NAFTA, Permanent Normal Trade Relations with China, and WTO, that allows claims to be made against America's markets. It allows claims to be made against, our natural resources without regard to laws to protect the health, safety, welfare and environment of our great Nation like our fresh water resources.

Mr. Speaker, I have raised the fresh water resources in the sale of the version of Great Lakes water and our natural resources when we have debated NAFTA, when we debated WTO, and when we talked about trade with China. But the fact remains, once these trade agreements are passed, WTO kicks in and the U.S. sovereignty is kicked out. Take the FO Corporation from Richmond, Virginia, that wanted to put MMT in Canadian gasoline. It is a gas additive. Canada said, no, we want to protect our environment. We want to protect the health and safety of our people. We do not want this stuff in our gas. They went and they filed suit.

What happened? Canadian government had do pay them $13 million to put the gas additive in, and now, in Canadian gas, we find MMT. Well, let us just take the reverse, now we have a British Columbia company trying to put MTBE, another gas additive, here in the United States. We banned MTBE in California, because of our environment. We are banning MTBE in the Committee on Commerce in which I sit because of a threat to the health and safety of the American people.

□ 1100

But they go to WTO to get them to allow them to sell it in the United States. So the British Columbia firm will now be selling MTBE in the United States. If not, they want $360 million. That is what WTO gives us, a forum, where if they cannot get our resources, then we have to pay them. Then, after we pay them, not only do they get their gas additives, they have to put it in our gas.

Who is going to stand up for our environment? Who are the people making decisions with the WTO that affect your health, safety and welfare? Who is going to be the one to stand up for our water resources when the NOVA group wants to ship it or when the Columbia River is being attacked, both on the Canadian and the U.S. side, because they want the fresh water resources because of droughts in this country? Who is going to stand up?

Who is elected to this WTO? No one here in this Congress knows. We have no say in it. I believe that these organizations are subject to attack on our environment, our sovereignty, our natural resources, and we as Americans have no say in it.

So before we lose all of our control over our sovereignty, before we lose all of our control over our natural resources, before we lose all of our control over our environment, the health and safety of our people, we as elected representatives should say enough of WTO. Let us get out of it while we still can.

Mr. DEFAZIO. Mr. Speaker, I yield 2¾ minutes to the gentleman from Ohio (Mr. BROWN).

Mr. BROWN of Ohio. Mr. Speaker, I thank my friend for yielding me time.

Mr. Speaker, in 1994, supporters of free trade and globalization painted a very positive picture of how the Uruguay Round and GATT would influence and shape the U.S. and the global economy. They declared it would not erode U.S. sovereignty or undermine environmental health or food safety policy. It would, they promised, improve labor standards worldwide.

Five years into its implementation, though, it has become clear that these promises have failed to materialize. Instead, we have suffered through global financial instability, massive ballooning of the U.S. trade deficit, and ever-increasing income inequality in the United States, and especially in the developing world.

As we have engaged with developing countries in trade investment, democratic countries in the developing world are losing ground to more authoritarian countries. Democratic countries, such as India and Taiwan, are losing ground to more totalitarian nations, such as Indonesia, where the people are not free and the workers do as they are told.

In the post-Cold War decade, the share of developing country exports to the U.S. for democratic nations fell from 53 percent a dozen years ago to 34 percent today. In manufacturing goods, developing democracies' share of developing country exports fell from 56 percent to 35 percent. Companies are relocating their manufacturing bases from democratic countries to more authoritarian regimes, where the workers are docile and obedient and where unions and human rights are suppressed.

As developing nations make progress towards democracy, as they increase worker rights, as they create regulations to protect food safety and protect the environment, the American business community punishes them by pulling their trade and investment in favor of totalitarian countries and totalitarian governments, such as China and Indonesia.

The WTO has clearly undermined health, safety and environmental standards, human rights and democratic accountability. One of the most tangible examples is the WTO's refusal to permit poor nations to gain access to low-priced pharmaceuticals, which puts essential medicines out of the reach of hundreds of millions of people in poor nations. Hundreds of millions of people continue to suffer from diseases that are treatable.

Some governments have sought to use policy tools, including compulsory licensing and parallel imports, to make drugs more accessible to the poor. Compulsory licensing and parallel imports are permissible under WTO rules on intellectual property. Nonetheless, the U.S. Government has threatened to impose unilateral trade sanctions and the USTR used WTO as a hammer for the American pharmaceutical industry.

Mr. Speaker, until such time as the administration really does do an honest assessment of the WTO, the WTO remains a tool for multinational corporations and should not receive our support.

Mr. CRANE. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Texas (Mr. COMBEST), the

chairman of the Committee on Agriculture.

Mr. COMBEST. Mr. Speaker, I rise in very strong opposition to this resolution. As the chairman of the Committee on Agriculture, I know how essential exports are to farmers and ranchers across the United States; but, more importantly, the U.S. farmers and ranchers recognize the importance of trade to their own success.

Withdrawing from the WTO would have the effect of isolating American producers from the rest of the world. For an industry that exports 30 percent of its production, a resolution such as this would have a devastating impact. If the House supports this resolution, the effect will be that the United States will be applying economic sanctions to the world; and we know who feels the effect of economic sanctions first, it is the American farmer and rancher.

There are three things that can happen when agricultural sanctions go into effect, and they are all bad: exports go down, prices go down, and farmers and ranchers lose their share of the world market.

The 1980 grain embargo on the Soviet Union is one of the examples of the effect on sanctions on U.S. agriculture. Our wheat sales were lost, while France, Canada, Australia and Argentina sold wheat to the former Soviet Union. H.J. Res. 90 can have the same or more devastating impact on American agriculture. U.S. farmers and ranchers provide much more than is consumed in the United States; and, therefore, exports are vital to the prosperity of the American farmer and rancher.

The WTO is not a perfect organization, and Congressional oversight is essential and needed. Nevertheless, it is superior to previous organizations, and American agriculture recognizes this. Negotiations to further improve access to markets around the world and eliminate export subsidies are now going on.

Since the end of World War II, eight rounds of negotiations have reduced the average bound tariff on industrial goods from 40 percent to 4 percent. Meanwhile, bound agricultural tariffs remain at an average of about 50 percent. If agriculture is to catch up, it is essential to keep the U.S. a part of the negotiating process to convince our trading partners to talk about further reforms in agriculture. U.S. membership in the WTO is necessary to continue this progress.

I urge my colleagues to reject H.J. Res. 90 for the future of American agriculture.

Mr. DAVIS of Florida. Mr. Speaker, I yield 2 minutes to the gentlewoman from California (Ms. PELOSI).

Ms. PELOSI. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, I rise in opposition to H.J. Resolution 90, and, in doing so, associate myself with those who support the resolution.

Indeed, the WTO is in need of significant reform. Workers' rights and environmental protection are competitiveness issues and should play a stronger role in the WTO. However, I do believe we need a rules-based approach to international trade which can create a more stable climate for U.S. workers, farmers, and businesses who seek to export their products abroad.

The global economy is here to stay. Nowhere is that more evident than in my district in San Francisco, Mr. Speaker, which was built on trade in the days when the clipper ships sailed the oceans and today is one of the gateways to Asia.

This debate today provides an opportunity for us to get beyond the outdated, outmoded, free traders versus protectionist characterization, which I believe does a disservice to the trade issue. A new vision is needed of a more democratic way to deal with the new challenges posed by the global economy.

The old way of the WTO, of conducting trade negotiations behind closed doors, must end, and the people must be allowed to participate. We must demand transparency in the WTO. We must insist that the administration gives as much weight to workers and the environment as it does to corporate America. We must enforce all of these concerns with equal vigor. We must see anyone who does not see the connection between commerce and the environment is on the wrong side of the future. We must all work together to have a WTO organization that is an agent for progress and not of exploitation. We must make it work for the American workers.

President Clinton himself has said, ''If the global market is to survive, it must work for working families.'' We must apply that standard to the WTO.

In terms of transparency, very specifically, Mr. Speaker, we must insist that the WTO bring trade advisory committees to broader public concerns, notify the public before challenging other countries' environmental or health and labor standards, and give the EPA a stronger role in settling trade and environmental policy.

Mr. Speaker, I myself am voting against this, but I understand and appreciate the concerns expressed by those who support it. We must all work together to change the WTO.

Mr. PAUL. Mr. Speaker, I yield myself 30 seconds.

Mr. Speaker, I would like to respond to the gentleman from Texas. This is not an issue of trade. This is an issue of who gets to manage and decide whether it is fair trade or not. It is the issue of power, whether it is by the environmental bureaucrats or by the U.S. Congress. The one thing under this arrangement, the little farmer has very little say. He cannot get into the WTO and make a complaint. The great meat packers of the country may well.

Mr. Speaker, I yield 4 minutes to the gentleman from Washington (Mr. METCALF).

Mr. METCALF. Mr. Speaker, the U.S. membership in WTO violates our Constitution. Article I, section 8, clause 3 of the Constitution delegates to Congress the sole authority to ''regulate commerce with foreign nations.'' Our membership in WTO transfers authority to regulate trade to a foreign body. It removes it from our elected representatives, this Congress.

This Congress does not have the authority to set aside such constitutional requirements. In its 1998 decision regarding the line item veto, the Supreme Court ruled that Congress cannot divest itself of duties delegated to it by the Constitution, unless the Constitution is amended.

The U.S. Constitution has not been amended to allow an international organization like the WTO to regulate American trade policies. Therefore, Congress cannot divest itself of the duty to regulate commerce with foreign nations.

I believe the WTO is an entirely nonlegitimate international organization. Many of its member states do not represent the people of their country. They represent the single will of the sovereign of their country. The American Congress gets its legitimacy from the people of the United States. It cannot grant legitimacy to an international body over and above that of our own citizenry.

To suggest by our membership that the WTO is legitimate, we must ignore our people, our citizenry, and our Constitution. However, it seems that sovereignty or legitimacy are no longer issues that many in this Congress want to address. It seems as though the rule of law is no longer an issue that many in this Congress want to address. It seems as though strictly adhering to the provisions of our Constitution is no longer an issue that many in this Congress want to address. Instead, economic power and the accumulation of wealth seem to occupy increasing amounts of attention these days.

America's legitimacy rests solely in its citizens' good offices as the sole sovereigns of this country. If this Congress does not protect American sovereignty, then who will? If this Congress does not reaffirm the rule of law, then who will? It is we in this Congress that must reassert the constitutional directive that Congress must have the sole authority over America's trade with foreign nations.

Vote yes, vote yes proudly on H.J. Resolution 90. Remove this Nation from the unconstitutional jurisdiction of the WTO.

Mr. DEFAZIO. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio (Mr. KUCINICH).

Mr. KUCINICH. Mr. Speaker, it has been said on this floor that you cannot reform an organization you withdraw from. Well, we forget so soon. The very ground we are standing upon to engage in this debate is the result of America's Founding Fathers and Mothers who decided to withdraw from the control of England. England was in need of reform. That is why we broke with them 224 years ago.

Remember the words, ''We the people of the United States, in order to form a more perfect union,'' ordained a Constitution which established representative government and put the Congress of the United States in charge of trade, and does not give Congress the right to cede that to an international body which attacks American interests.

□ 1115

The World Trade Organization imposes obligations on State and local governments which limit their ability to promote the local economy, promote employment, protect consumers, and establish environmental standards. The WTO attacks laws which give preference to companies bidding for State business if they employ State residents and use locally made products. It attacks laws that offer tax exemptions to companies to create jobs. It attacks laws that promote investment in recycled material. It attacks laws that impose bilocal requirements or preferences for State procurement.

Mr. Speaker, 95 laws in California have been identified as WTO-illegal, according to the Georgetown University Law Center. Several States are facing legal challenges to their laws under NAFTA. California's ban of a poisonous chemical, methyl tertiary butyl ether, MTBE, is being challenged, and Mississippi is being sued for violating NAFTA. The U.S. administration wants the WTO to include NAFTA-like investor protections in the future, further undermining local and State governments.

Three key WTO and NAFTA investment chapter principles caused problems for State and local lawmaking. The principles include national treatment. This is when a State favors a local corporation. It says it is discriminating against foreign corporations. So we cannot promote local businesses over foreign businesses. I mean, wake up, America.

Second, general treatment. This principle prohibits State governments from regulating business by applying what is called the least restrictive trade standard. This standard can be used against State laws promoting recycling, minority business development and so on.

The third principle is expropriation which makes the State governments liable for paying damages if a corporation persuades a jury or the WTO Settlement Dispute Panel that a State law has caused a foreign business losses in even potential profits.

Now, these principles do not come from the U.S. Constitution, but from international trade agreements, which represents a loss in the ability of State governments to pass laws in the public interest.

Mr. Speaker, we need to stand up for America and American interests. Vote for this resolution.

Mr. CRANE. Mr. Speaker, I yield myself such time as I may consume to remind my colleague from Ohio that we have delegated responsibility on trade issues to our Committee on Ways and Means and, more specifically, the Subcommittee on Trade. That is not an unnatural way to proceed, because we still retain the option to negate anything we might want to do.

The same principle, I might add, applies to WTO rulings. Any WTO ruling could be negated at any time by the United States. If we do not like it, we do not have to observe it. We will pay a price if we do not play the game according to the rules.

Mr. Speaker, I yield 2 minutes to the gentleman from Nebraska (Mr. BEREUTER).

(Mr. BEREUTER asked and was given permission to revise and extend his remarks.)

Mr. BEREUTER. Mr. Speaker, I rise in strong opposition to H.J. Res. 90. Certainly, passage of H.J. Res. 90 would send a completely wrong signal to our trading partners around the world, and it would be very much contrary to both the short-term and long-term interests of the United States.

The United States gains nothing from withdrawal from the WTO. We would, however, be at the mercy of other countries' desires to erect highly discriminatory and prohibitive tariffs and nontariff barriers against U.S. exports. The U.S. would not have access to the WTO dispute settlement mechanism to challenge these new barriers, but instead, we would only have limited and ineffective bilateral defenses. The U.S. would have no leverage at all in setting agendas for future trade and investment agreements having unilaterally surrendered our seat at the table through withdrawal from the WTO.

The end result of H.J. Res. 90 is hundreds of thousands of lost American jobs and hundreds of millions of dollars of lost American exports for no discernible benefit. Since the creation of the WTO, our exports of goods and services have increased over $250 billion. Though estimates vary, implementation of the current WTO agreement is estimated to boost U.S. gross domestic product by a minimum of $27 billion per year.

While there are legitimate concerns about some of the WTO operations, the WTO system, certainly they can be and are being improved. Replacing this successful rule of law-based system of trade fairness which has directly benefited the United States with some undefined form of trade anarchy that discriminates against American competitiveness is simply reckless.

Mr. Speaker, to withdraw from the WTO system is, in fact, both reckless and counterproductive. It is significantly harmful to our short-term and long-term economic and national security. Accordingly, I urge strong support for the WTO, our involvement in it, and opposition to H.J. Res. 90.

I would say to the distinguished gentleman from Washington, we are not losing sovereignty, this is not unconstitutional; there are no significant scholars that suggest it is.

The Uruguay Round Agreements Act, which legislatively approved the United States' membership in the World Trade Organization (WTO), requires that the United States Trade Representative submit to Congress an annual report which includes a thorough analysis of the effects of the WTO Agreement on the interests of the United States, the costs and benefits to the United States of its participation in the WTO, and the value of continued participation of the United States in the WTO. As the most recent Report to Congress clearly states, ''The WTO is a crucial vehicle for maximizing the advantages from, and managing our interests in, a global economy. To ensure that Americans receive fair treatment in the global economy, the U.S. has negotiated a framework of clear, transparent rules that: prohibit discrimination against American products; safeguard Americans against unfair trade; and afford commercial predictability. As the world's largest exporter and importer, we need such a system more than any other country.''

Indeed, the consequences of withdrawing from the WTO would be so severe as to be unimaginable. As this Member previously noted, since the creation of the WTO, our exports of goods and services have risen by over $250 billion. The U.S. Department of Commerce estimates that exports currently represent approximately 12 percent of the entire United States Gross Domestic Product (GDP). Overall trade represents one-third of our entire economy. Clearly, the strength of the U.S. economy today is due in very substantial measure to our ability to competitively sell U.S. goods and services abroad.

If the United States were to withdraw from the WTO, as directed by H.J. Res. 90, then foreign countries would be free to impose whatever trade barriers they want on U.S. exports. For example, U.S. agricultural exports would face prohibitive tariffs and be allocated tiny import quotas, if any at all. Contrast this to the present situation within the 136-member WTO system which has offered important market access opportunities through the first enforceable commitments to reduce barriers, limited the use of export subsidies and established science-based rules for any import restrictions pertaining to animal or plant health and safety. This Member reminds his colleagues that the far-reaching agricultural trade benefits the United States recently negotiated with China—the reduction of meat tariffs from 45 percent to just 12 percent and the elimination of quotas on soybeans—were within the context of China's accession to the WTO.

A key benefit of participation in the WTO is America's access to its multilateral dispute settlement process. A new study released this month by the General Accounting Office (GAO) shows that the U.S. has won or resolved disputes 92 percent of all cases in its favor—that is 23 of 25 times since the dispute settlement system was created in 1995. In three-quarters of the 25 cases filed by the U.S., other WTO members agreed to remove their trade barriers, rather than face an adverse judgment, leading to millions of dollars in increased U.S. exports. For example, one of the settlements in favor of the U.S. was related to Korea's discriminatory standards for food imports. As a result, this market is now open to $87 million in U.S. chilled beef and $79 million in pork exports.

As a defendant in 17 WTO cases, the U.S. has prevailed or was able to resolve the case

without an adverse WTO ruling in 11 of 17 cases. The outcome of all of these cases had limited or no commercial effect.

On balance, the WTO settlement dispute process has proven to be a powerful instrument in bringing down barriers to American exports. House Joint Resolution 90 would eliminate American access to this successful dispute resolution mechanism leaving us with only very limited and largely ineffective bilateral defenses.

Contrary to the misleading arguments of protectionists in the United States, the WTO has certainly not made America poorer. In fact, during the last five years living standards have been rising for all Americans, low- and high-income workers alike. More than 80 percent of jobs created since 1993 are in occupations that pay above the median wage. Many of these jobs are in the high-technology export sector. Yet, for example, if the U.S. were to withdraw from the WTO, the U.S. economy would no longer enjoy the benefit of the WTO Information Technology Agreement, which reduced tariffs to zero for American high-technology exports to 54 countries. These export opportunities would be lost to our European and Japanese competitors at disastrous expense to American jobs here at home. This is only one example of the many American economic sectors which would be badly damaged by a withdrawal of our country from the WTO.

The WTO has not eroded America's manufacturing base. Manufacturing in America today is thriving. It is true that this base is constantly evolving as we gain comparative advantage in some sectors and lose it in others. However, since 1992, studies show that the manufacturing output of the U.S. has risen by 42%, all against a backdrop of record imports.

United States participation in the WTO most assuredly does not have a negative effect on the U.S. trade deficit. It is, indeed, disappointing, as well, that WTO opponents always reference the U.S. trade deficit in terms of manufactured products only, ignoring the service sector. Yet, in 1997–98, the U.S. services sector represented three-fourths of the U.S. national economic output and employed 80 percent of the U.S. workforce. In 1998, services exports constituted nearly 30 percent of all U.S. exports totaling over $260 billion and achieving a trade surplus of almost $80 billion. Among the important trade benefits of the WTO system is the Financial Services Agreement which covers nearly $60 trillion in banking, insurance and securities transactions each year and has opened the doors for U.S. ownership and investment in foreign institutions. H.J. Res. 90 would slam that door shut.

Like any new institution, the WTO can and should be improved. There is certainly the need for greater transparency and for undertaking the other institutional reforms raised during the WTO ministerial meeting last December in Seattle, Washington. More expedient, efficient and effective dispute resolution is warranted. A new trade round that would further open foreign markets to American exports would strengthen the WTO system and the American public's understanding of its importance. Yet, all of these objectives can only be pursued if the United States is part of the rules-based system itself, not a lonely outsider.

Mr. DAVIS of Florida. Mr. Speaker, I yield 2 minutes to the gentlewoman from New York (Mrs. MALONEY).

Mrs. MALONEY of New York. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, withdrawal from the WTO would isolate the United States from the international economy. I oppose the resolution.

In today's Internet-based, lightning-fast economy, it is critical for the U.S. to have the ability to resolve trade crisis through a binding, rules-based international system. While there is room for improvement, the WTO and its dispute resolution mechanism have served the United States workers, farmers, and businesses well. Throughout the existence of the WTO, the U.S. has succeeded in winning 25 out of the 27 cases that we have initiated in the dispute resolution system.

Mr. Speaker, the Clinton-Gore years have been prosperous for our country. One of the best ways to continue this success is by pursuing international markets. The WTO's rule-based approach to settling disputes will limit costly, inefficient trade retaliations, and international strife. But in today's information-based economy, it is critical that the U.S. be able to preserve our place as the world's technology leader by protecting our intellectual property.

While I think the WTO has moved trade policy many steps forward, there are reforms that I would like to see. The WTO should increase the transparency of its operations and take into account the impact of its actions on workers and the environment. It should disclose more information, preferably on line. Were the WTO's operations more open to the public, I believe many of it critics' concerns could be resolved.

Mr. Speaker, I urge my colleagues to vote down this resolution.

Mr. PAUL. Mr. Speaker, I yield myself 15 seconds.

The Financial Times does support the WTO, but this is what they said after NTR was passed. ''Already, many Washington trade lawyers are smacking their lips at the thought of the fees to be earned from bringing dispute cases in the WTO against Chinese trade practices. Says one, what will China be like in the WTO? It is going to be hell on wheels.''

Mr. Speaker, I yield 2 minutes to the gentlewoman from Georgia (Ms. MCKINNEY).

Ms. MCKINNEY. Mr. Speaker, the World Trade Organization is in need of serious reform. Interestingly, while Western economists are proclaiming that foreign investment and trade have been a blessing for the world's poor, we hear quite a different message coming from the poor themselves.

The recent meeting of developing countries from Asia, Africa, and Latin America known as the G–15 saw host Hosni Mubarak say that despite assurances early on that globalization would lead to an improvement in living standards, instead, imbalance in the world economy is increasing instead of decreasing. In fact, in 1999, 45 percent of the world's income went to the 12 percent of the world's people who live in rich, industrial nations. The three richest Americans own more than the world's 20 poorest countries.

Mr. Speaker, developing countries were sold a bill of goods, but so were we. Corporations, with the help of the WTO, have forced workers throughout the world into a deadly game of chicken. The WTO should protect basic social services and prioritize human rights and the environment in an environment that is democratic and transparent. Instead, it hurts the poor, benefits the rich at the expense of us all, and it does it in secret and in back rooms.

Mr. Speaker, this is no way to build a new world order. We need to put our money where our professed values are: fair trade, democracy, respect for workers, sensible environmental standards, and allowing poor countries to grow.

Mr. Speaker, I have introduced the Corporate Code of Conduct Act because I do not think that freedom, equality, human dignity and human rights are for sale. Unfortunately, the folks at WTO do not agree. They have unleashed unbridled corporate excess on all of us. The current system is wrong and in need of a serious fix.

Mr. Speaker, I urge my colleagues to support this resolution.

Mr. DEFAZIO. Mr. Speaker, I yield 2 minutes to the gentleman from Wisconsin (Mr. OBEY).

Mr. OBEY. Mr. Speaker, I really do not want to withdraw from the WTO. We need to be there, but I am voting yes out of frustration.

There are two problems. At home, the issue is simply whether those in this society, the investing class, the managing elite, the venture capitalists, the multinational corporations who have so much to gain by further globalization will be willing to see a tiny fraction of that increased wealth used to help those who would otherwise be caught in the prop wash of their incredible prosperity. So far, I see very little evidence of that.

Internationally, the question is simply, who is going to have a seat at the table? Now, only the voices of the economic elites are heard at WTO. The interests of workers, farmers, and the environment are not adequately taken into account. In fact, the incentives present in the WTO structure on questions of worker rights and environmental protection are in the wrong direction.

An economic system without moral foundation is not an economic system at all, it is a jungle. I cast this vote not because I want to withdraw, I do not. I am a committed internationalist. For 10 years I chaired the Subcommittee on Foreign Operations. But I am casting this vote to send a signal to WTO and our representatives to it that they have to give more than lip service to the needs of workers, farmers, and the

environment. When you do, give me a call. I will be happy to change my vote. Until then, sorry, wrong number!

Mr. CRANE. Mr. Speaker, I yield 2 minutes to our distinguished colleague, the gentleman from Ohio (Mr. REGULA).

(Mr. REGULA asked and was given permission to revise and extend his remarks.)

Mr. REGULA. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, WTO needs reform, not withdrawal. We do have a stake in ensuring the effectiveness of WTO because it has helped to eliminate trade barriers and improve market access for U.S. goods and services in foreign markets, which translates into jobs. But this does not mean there is not room for improvement within the WTO.

Several areas for improvement come to mind. First, we must ensure that the WTO dispute settlement system is used to work out genuine trade disputes and does not become a forum for other nations to challenge U.S. trade laws. It is my understanding that Japan has established a government agency specifically for the purpose of pursuing WTO litigation against the United States, signaling a willingness to continue to challenge U.S. trade laws.

Secondly, we must counter the disturbing trend of other nations challenging U.S. trade laws. Our laws are consistent with WTO rules, and not even the most productive U.S. industry can or should have to compete against dumped or subsidized imports.

Thirdly, there must be greater transparency in the dispute settlement process. The dispute settlement panel proceedings are conducted in almost complete secrecy. We must open up the closed-door atmosphere that is present today at the WTO.

Finally, dispute settlement panels are now made up primarily of diplomats, bureaucrats and academics who may not be trained to serve in a judicial capacity.

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Yet they are sitting on panels that are reviewing laws passed by legislatures and agreements negotiated between governments. It seems appropriate that panels should include more judicially-trained experts to ensure due process for the parties involved.

Rather than withdrawing from the system we have in place, I think we need to work to improve it so that we have a rules-based trading system that benefits U.S. industry, U.S. jobs, and the American public generally. I hope that in the process, we will get action on some of these reforms that are sorely needed in terms of our membership in WTO.

Mr. Speaker, I rise today in opposition to House Joint Resolution 90, the proposal to withdraw from the World Trade Organization (WTO). The WTO represents the current system of rules and regulations that govern trade between most nations.

We do have a stake in ensuring the effectiveness of the WTO because it has helped to eliminate trade barriers and improve market access for U.S. goods and services in foreign markets. But this does not mean that there isn't room for improvement within the WTO.

Several areas for improvement come to mind. First, we must ensure that the WTO dispute settlement system is used to work out genuine trade disputes and does not become a forum for other nations to challenge U.S. trade laws. It is my understanding that Japan has established a government agency specifically for the purpose of pursuing WTO litigation against the United States, signaling a willingness to continue to challenge U.S. trade laws.

A recent WTO case filed by Japan challenges the antidumping duties that resulted from the hot-rolled steel import case filed at the height of the 1998 steel import crisis.

We must counter the disturbing trend of other nations challenging U.S. trade laws. The U.S. trade laws are consistent with the WTO rules and are necessary to ensure that domestic producers and manufacturers are able to compete on a level playing field. Not even the most productive U.S. industry can or should have to compete against dumped or subsidized imports.

Second, there must be greater transparency in the dispute settlement process. The dispute settlement panel proceedings are conducted in almost complete secrecy. Only government delegations are allowed to attend oral arguments and there is no requirement that the panels consider written submissions from domestic interested parties. We must open up the closed-door atmosphere that is today present at the WTO.

Finally, dispute settlement panels are now made up primarily of diplomats, bureaucrats and academics, who may not be trained to serve in a judicial capacity. Yet they are sitting on panels that are reviewing laws passed by legislatures and agreements negotiated between governments. It seems appropriate that panels should include more judicially trained-experts to ensure due process for the parties involved.

Rather than withdrawing from the system we have in place, let's work to improve it so that we have a rules-based trading system that benefits U.S. industry and the American public.

Mr. DAVIS of Florida. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. STENHOLM).

Mr. STENHOLM. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I rise to speak against the resolution, which would undermine U.S. markets abroad for billions of dollars of U.S. agricultural products.

Trade is essential to U.S. prosperity, and the WTO makes trade work for America. Is it perfect? No. But all of the criticisms that I have heard this morning by my colleagues who oppose or support this resolution, all of these criticisms can be corrected by the United States maintaining a strong leadership role in making the WTO better.

Academic studies estimate an annual GDP gain for the United States from the Uruguay Round of about $32 billion. These estimates do not even fully take into account gains due to reduction of non-tariff barriers to trade and the growth effects of more open markets.

The WTO provides member states with a set of rules that open markets to U.S. agricultural and industrial products and services. At the heart of the WTO rules-based trading system is the WTO dispute resolution system, which keeps trade disputes from escalating into trade wars.

From the agricultural point of view, the WTO dispute resolution is working to expand market opportunities around the world:

There was a recently reported victory on Korean beef that adds about $35 million a year in U.S. sales to that country.

The WTO has sanctioned retaliation of over $300 million against the European Union on beef and bananas.

It has expanded varieties of U.S. fruit exports to Japan.

It has increased exports of U.S. pork and beef by pressuring Korea to modernize shelf life restrictions.

Dispute resolution has improved the European Union grain importation regulations that have benefited U.S. rice exports.

It has reduced Hungarian export subsidies.

I can go on and on with significant victories for United States agricultural products.

It ruled, for example, against a Canadian dairy export subsidy scheme before it could be copied in Europe.

In conclusion, Mr. Speaker, we need the WTO dispute resolution system to keep opening markets for U.S. agricultural products, and we need the WTO. A strong vote against Joint Resolution 90 will send an important signal to our trading partners that America is ready to lead a new round of WTO negotiations.

Mr. PAUL. Mr. Speaker, I yield myself 30 seconds.

Mr. Speaker, I would like to say to the gentleman from Texas that the giant meat packers may well be represented at the WTO, but the small rancher and farmer is not. The same people who promote this type of international managed trade where we lose control and it is delivered to an international bureaucracy are the same ones who fight hard to prevent us trading with Cuba and selling our products there.

Essentially no one here advocating trade, as managed through the WTO, supports me in my efforts to open the Cuban markets to our farm products. There's a lot of talk regarding free trade and open markets but little action. The support by the WTO advocates is for international managed trade along with subsidies to their corporate allies.

Mr. Speaker, I yield 4 minutes to the gentleman from California (Mr. ROHRABACHER).

Mr. ROHRABACHER. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, the WTO is a majestic dream that predictably will become Americans' worst nightmare. The lure

of more open trade with hundreds of countries is being used as a disguise for an awesome transfer of power and authority that will in the long run ill serve the interests of the American people.

Let us recognize that this is not about whether there should be or should not be trade. That is a nonsensical argument. America is the world's largest market, and there will always be countries clamoring for commerce with the American people.

The question is, how will we trade and what will be the procedure that we trade with these countries? The question is if we, through our democratic processes and bilateral agreements negotiated by elected officials, people elected by the people of the United States, will be setting the ground rules for this trade, or whether it be controlled by international boards, commissions, and committees of the WTO.

Let us admit, yes, Third World countries and developing countries will probably have more open markets to American and multinational corporations if this WTO goes through and keeps going on. That trade potential, let me point out, is minuscule. We are talking about trade with a bunch of countries like Rwanda or like tiny countries in Latin America, Paraguay, as compared to large developing countries.

We are going to trade, give up our rights here in this country to determine our own economic destiny, to open up the markets of these tiny little countries? That is ridiculous. So there is an economic down side if we do not go through with WTO, yes. It is a minimal down side. But the potential down side in terms of the loss of the ability of the American people to control their own destiny is staggering.

Predictably, the boards, commissions, and the rest of the decision-making apparatus of the WTO will within a decade or two be dominated by the same crooks and despots who now control so many of these Third World countries that refuse to open up their markets, and bribery and corruption will come with this centralization of power. There is no doubt about that.

If we try to predict that is not going to happen, give me a break. Idealistic globalism is today the greatest threat to freedom and liberty in this country, for the people of this country. We should not be transferring power and authority to an unelected, appointed international bureaucracy. That is what the WTO is all about.

Can one foresee a country like Communist China bribing WTO commissioners in the future? How about multinational corporations? Will they try to influence decisions that dramatically impact the standard of living of the American people, without any protection of our own elected officials? We can bet on it. We can also bet that they are going to try to just do that, and that we will not have anything that we can do about it. Yet, we will have little recourse in this whole situation except to quit.

I oppose PNTR with Communist China now because it is a dictatorial system. Now we are being eased into a system that will mandate that every despotic regime in the world be treated equally with democratic societies. The WTO plan is a blueprint for bolstering tyrannical regimes throughout the world. Trade will not turn the hearts of these despots, or it will not make honest people out of corrupt officials who end up with power.

Please, I ask Members to support this resolution. Do not sacrifice American liberty on the altar of globalism.

Mr. DEFAZIO. Mr. Speaker, I yield 3¼ minutes to the gentlewoman from California (Ms. WATERS).

Ms. WATERS. Mr. Speaker, it is very interesting that Member after Member who opposed this resolution will get up on the floor and agree that the WTO is making decisions that destroy the environment, endangering the health and safety of the peoples of the world, thumb their noses at human rights, but they say, yes, we know all this, but we do not want to leave. We want to stay.

It does not make good sense. It does not make good sense unless they simply are doing the business of multinational corporations of the world in the interests of making more profits.

I know a lot about the WTO. I have followed them intimately for the last 3 years. I have watched what they have done as they have destroyed the ability of small farmers in the eastern Caribbean to earn a living from producing and selling bananas to the European Union. Why do they do that? One man, Carl Linder from Chiquita Bananas, who gave money on both sides of the aisle, who is well-connected politically, simply teamed up with Mickey Kantor, who is our United States Trade Representative, took the case to the WTO, because he did not like competition.

We do not grow any bananas in the United States, but they took the case on behalf of Carl Linder, who grows bananas down in Central America and who does a terrible job of protecting the rights of the workers, spraying pesticides on them while they till the soil, many of them dying and coming up with terrible diseases.

They took this case on behalf of Carl Linder to the WTO, and guess what, we won, because Carl Linder and Chiquita are very powerful corporate interests.

Do Members know what is happening over in the eastern Caribbean? The farmers no longer will have the banana crop. Do Members know what will replace it? Ganja, marijuana, drugs. It will be a transshipment point for drugs into the United States and into our communities. That is what the WTO did.

In addition to that, he created a trade war that is now hurting our small businesses because of the sanctions that we have imposed on the European Union. It does not make good sense.

Further, let us talk about the trade-related intellectual properties or the TRIPS agreement that provides another example of a WTO policy that benefits wealthy and powerful special interests.

The TRIPS agreement gives patent rights over plants and medicines that come from small countries to wealthy corporations, the soybean in east Asia, which is patented by a subdivision of Monsanto Chemical; the mustard seed that was developed by the people of India has also been patented by Monsanto. I could go on and on and tell Members why we must get out of the WTO.

I think reasonable minds will agree that the WTO simply is substituting for the responsibilities that we should be exercising as elected representatives.

We have elected representatives in democracies around the world, and criminal justice systems in democracies that can resolve problems, can negotiate disputes. Yet, we have decided to give up our rights, and there is no transparency. They make all of these decisions in secret. They make these decisions in secret. We do not know who they are.

We are beginning to find out that the multinational corporations have inserted their people, have gotten them appointed so that they are making decisions to protect them and their ability to make money on the backs of poor people, on the backs of small nations, on the backs of Americans who do not even know who these people are and how they are making these decisions.

Mr. Speaker, I ask support for this resolution. It makes good sense.

Mr. CRANE. Mr. Speaker, I yield 3 minutes to our distinguished colleague, the gentlewoman from Connecticut (Mrs. JOHNSON).

Mrs. JOHNSON of Connecticut. Mr. Speaker, I rise in strong opposition to this resolution to withdraw from the WTO. The WTO is critical to the United States' interests. It has been instrumental in opening foreign markets to our goods and in promoting U.S. values throughout the world.

The U.S. is the world's largest exporter, and it is not just multinational corporations that export, it is small businesses, and medium-sized businesses. In fact most of the jobs associated with exports are associated with small- and medium-sized businesses. It is a job creator, a high-paying job creator, in the towns and cities throughout America.

But because we are the world's largest exporter, we benefit tremendously from the WTO's dispute settlement process. In fact, of the 27 cases that have been brought for dispute resolution, the U.S. has prevailed in 25 of those cases.

Let me make another point about being part of a rules-based system. We have had testimony before the Committee on Ways and Means by human

rights advocates that wanted us to bring China into the WTO explicitly because it would for the first time bring them into an international rules-based law-based system.

They made the point that if China has to abide by international norms in the economic area, for example protect intellectual property rights—that is, our ideas—then it will be easier to get that government to also recognize that it must respect the religious commitment of their people, too, the human rights of their people.

Mr. Speaker, spreading a rules-based system to govern economic activity is the first and critical step to developing a rules-based political system worldwide that respects human rights.

We cannot afford to withdraw from the WTO because our economic growth will be substantially determined by our ability to sell U.S. goods and services abroad. Removing ourselves from a multilateral rules-based institution will only undermine the tremendous growth the U.S. has achieved through the expansion of world trade, and imperil our goods, subjecting them to trade barriers by other countries.

I urge opposition to this resolution. In the long run, we must be strong and capable competitors if our people are to have high-paying jobs. We cannot afford not to be able to compete, and we cannot afford not to be able to spread the concept of rules-based law-based systems, both for our economic well-being and for our human rights commitments.

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Mr. DAVIS of Florida. Mr. Speaker, I yield 2¼ minutes to the gentleman from Oregon (Mr. BLUMENAUER).

Mr. BLUMENAUER. Mr. Speaker, I appreciate the gentleman's courtesy in yielding me this time.

Mr. Speaker, I rise in strong opposition to the resolution before us today. The gentleman from Oregon (Mr. DEFAZIO) often speaks of the flat-Earth society that emerges here on the floor of the House from time to time. I fear that we have some Members here today bringing that philosophy forward who feel that we could either force our will unilaterally on other Nations around the world or that we can just go our separate way in the matter of international trade or commerce or that somehow we are in danger of being taken over by a faceless team of sinister international bureaucrats. All of that is pure and simple hogwash.

We are in a very powerful position today. As has been documented time and time again on the floor of this House already, we are in the catbird seat. We win the preponderance of the cases that are brought before the WTO. We do not have to go along with something that strikes us on its face as being unfair and unequitable against the environment.

In the final analysis, this Congress retains the power, the sovereign power, to, on the floor, turn anything that we think is wrong. But in the meantime, we have a strong interest in making sure that we have an international system.

The United States was the institution that prompted the evolution of the WTO. We benefit the most because we are the largest exporting Nation in this world. I agree it is true the WTO is an imperfect organization, like the United Nations, like God forbid this Congress that continues to treat the citizens of the District of Columbia like members of a colony.

Do not talk to me about somehow the WTO is imperfect. We are holding up that same mirror to us. We can talk about lack of transparency in this Congress, lack of responsiveness to the will of the people of the United States. But we are all here slugging it out trying to do our best to move it forward. That is what we should be doing here with the WTO.

Withdrawing from the League of Nations did not make Europe safer prior to World War II. Staying in the WTO, exercising our leadership is going to hasten the day when it provides the type of transparency that we want, the type of leadership. But for heaven's sakes reject this resolution.

Mr. PAUL. Mr. Speaker, I yield 2 minutes to the gentleman from Georgia (Mr. NORWOOD).

(Mr. NORWOOD asked and was given permission to revise and extend his remarks.)

Mr. NORWOOD. Mr. Speaker, I thank the gentleman from Texas (Mr. PAUL) for yielding me the time.

Mr. Speaker, I rise to support the resolution of the gentleman from Texas (Mr. PAUL) to remove the United States from the WTO, and I hope others in this body will agree with us on that.

One of my friends and a man I respect greatly, the gentleman from Texas (Mr. COMBEST), the distinguished chairman of the Committee on Agriculture, said a minute ago that, if we remove ourselves from the WTO, the farmers and the ranchers will lose their shirts. Well, we are in the WTO, and the farmers and ranchers are losing their shirts. There is no reason for me to expect, under the present rules of the WTO, that that is going to get a bit better for them without reform.

It has been odd to me that so many distinguished Members of this body have stood up and said, well, we have to stay in the WTO, but it certainly does need changing, it certainly does need reform. But we just need to stay in there so we can change it or reform it. Well, I do not understand that. It requires unanimous consent to make any changes inside the WTO today.

If our leaders in the WTO simply want to try to improve our situation for our cotton farmers and they take it to the WTO, I can assure my colleagues that China is going to be there to veto that. If our representatives in the WTO want to improve our situation for our wheat farmers, I can assure my colleagues that France, a nation that subsidizes its wheat in order for prices to be low and competitive, is going to be sitting in the WTO to absolutely veto that.

What I would like to do is, some of these very distinguished Members who want to stay in the WTO, and every one of them almost have come up and said we must reform it, well I am going to stay on the floor and listen to the rest of the debate. I would be very pleased if some of them would get up and explain to me how we are going to reform the WTO. I do not believe it can be done without a great threat and/or removing ourselves from the WTO.

We need to work within an organization; I do not disagree with that. We need world trade; I do not disagree with that. But we need to be in an organization where we, indeed, have a little more say so about what happens to the trade in America.

Mr. DEFAZIO. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, I am puzzled by some of the earlier remarks by the gentleman from Oregon and the gentleman from Illinois. They say, well, we do not have to go along. In fact, we can overturn anything we think is wrong. We reserve our sovereignty. All we have to do is pay for it.

Well, what kind of logic is that? If we want to have clean air laws that discriminate against dirty foreign gasoline, we can have them if we want to pay penalties levied against any and all U.S. products exported abroad. There does not have to be any relationship. We can have consumer protection laws. We can have a Buy America. We can purchase any U.S. law we want. All we have to do is pay for it.

This is an absurdity on its face. My colleagues are right, constitutionally, we certainly could not give them the right to reach in and overturn our laws, but what we have done is tended to seek tribunals before the WTO with no conflict of interest rules, no intervenors, no outside scrutiny, the authority to give foreign Nations the right to levy fines against any and all U.S. products with no relationship to the complaint. We lose on clean air; they can go after big jet liners.

Mr. Speaker, I yield 5 minutes to the gentleman from Michigan (Mr. BONIOR).

Mr. BONIOR. Mr. Speaker, before I start, let me commend the gentleman from Texas (Mr. PAUL) for bringing this to the floor and for the work of the gentleman from Oregon (Mr. DEFAZIO), for his work on arguing this issue before us today.

Mr. Speaker, a very gifted man once wrote that ''no extraordinary power should be lodged in any one individual.'' That man was Thomas Paine. It was over 200 years ago, a time when Americans were first coming to terms with the question of what it meant to be free, what it meant to be a democracy.

Well, today our Nation is faced with a very different challenge. New technologies, as we have seen and as we have heard on this floor, has sent America and the world hurdling into a global economy. We are told it is an economy where market forces must be allowed to reign, an economy where the law of supply and demand take precedence even over the laws of a free people.

Who will settle these conflicts whose outcome, whose very outcome will shape this new global economy? One single body with extraordinary power, the World Trade Organization. It is an organization that operates in virtual secrecy. An organization that operates without the participation of consumers, of workers, of farmers, of people of faith, or any other representatives of the communities that its decisions affect. Yet, it is an organization whose choices can effectively nullify even the hardest-won laws governing worker safety, product safety, the environment, and worker rights.

The WTO has already forced changes in the United States laws affecting everything from formulation of gasoline to the labeling of canned tuna. There are literally over 100 pending decisions out there that could affect decisions and laws that one's State legislatures, one's county commissioners, one's city governments have written into law.

It is an extraordinary power for an organization that is extraordinarily unaccountable. That is what the demonstrations in Seattle last fall were all about, what the demonstrations in Brasilia, where 100,000 people came, were all about. It was the privatization of the public policy process. That is what is going on.

While citizens stood out in the rain in Seattle, corporate interest enjoyed an open-door access to WTO officials. At one point, listen to this, the corporate host of the Seattle ministerial were even selling opportunities to dine with the visiting trade ministers, dine, that is, if one can come up with $250,000. If one has got a quarter of million dollars, one gets to dine with the people who are inside the room. If one contributed $150,000, one could still come to dinner, one just could not bring as many guests.

Mr. Speaker, I am convinced that we need to rebuild this idea of an international trade organization. Of course we need to trade. The gentleman from Georgia (Mr. NORWOOD) is absolutely right. Of course we need relations with our allies and friends and even some of those who are not our allies and friends around the world. But we need to build an international organization that is not able to interfere with the laws of our country, our States, and our cities.

The fact is that the WTO rulings could override the decisions of a town council, a county commission to buy only American-made products. Is there anybody here what wants to do away with that? I have seen the votes on the board. They are overwhelming on Buy America. They are almost 400 to 5 or 400 to 6.

We do not want a WTO that takes a walk on the questions of human rights. We have human rights issues debated regularly on this floor.

What we need to do is to build a World Trade Organization that is as committed to promoting human rights and human dignity as it is to promoting the interest of large corporations, a WTO where consumers and workers and farmers and people who care about the environment are not spectators, but are participants. We want a WTO where working families are not trapped on the outside looking in, but where all of us have a seat at the table.

But until there is a commitment to begin that process, and it is a process, and it will not be happening overnight, and it is going to happen eventually, until there is a commitment to do that, I have no choice but to vote yes on the gentleman's resolution. I thank him for bringing us to this opportunity today.

Mr. CRANE. Mr. Speaker, I ask unanimous consent to insert in the RECORD a letter to me from the Emergency Committee for American Trade and also a letter to the gentleman from Texas (Mr. ARCHER), our distinguished chairman of Ways and Means, from the U.S. Alliance for Trade Expansion. Both letters are in very strong opposition to H.J. Res. 90. The one to the gentleman (Mr. ARCHER) contains 4 pages of single-spaced type.

Mr. DEFAZIO. Mr. Speaker, I do not object if the gentleman from Illinois inserts the letters, but if he reads them, I will say he has to claim time.

Mr. CRANE. Mr. Speaker, I did not hear the gentleman from Oregon (Mr. DEFAZIO).

Mr. DEFAZIO. Mr. Speaker, the point I am making is, if he is using the time to read the letters, that is one thing. If he is making a unanimous consent and he is not using his time, I will object to reading the letters.

Mr. CRANE. Mr. Speaker, I am not reading the letter.

The SPEAKER pro tempore (Mr. GILLMOR). The unanimous consent request does come out of the time of the gentleman from Illinois (Mr. CRANE).

Mr. CRANE. Mr. Speaker, the letter to the gentleman from Texas (Chairman ARCHER) contains four pages of two-column names of businesses and associations that also very strongly object to H.J. Res. 90.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. CRANE. Mr. Speaker, I include the letters I referred to for the RECORD as follows:

EMERGENCY COMMITTEE
FOR AMERICAN TRADE,
Washington, DC, June 7, 2000.

Hon. PHILIP M. CRANE,
Longworth House Office Building,
Washington, DC.

DEAR MR. CHAIRMAN: I am writing, as Chairman of the Emergency Committee for American Trade and Chairman of Cargill, Incorporated, to urge you to vote against. H.J. Res. 90, withdrawing congressional approval of the agreement establishing the World Trade Organization (WTO). Withdrawal of U.S. support for the WTO would undermine the tremendous growth and prosperity that the United States has achieved through the expansion of world trade—an expansion enabled by the WTO and the multilateral trading system.

With 96 percent of the world's population and four-fifths of the world economy located outside U.S. borders, we cannot sustain economic growth here at home unless we have access to expanding opportunities in world markets. As documented in ECAT's 1998 groundbreaking study, Global Investments, American Returns, and its ''1999 Update,'' world economic expansion and integration have enabled American companies with global operations to make important contributions to the U.S. economy and standard of living that in many cases are greater than those of purely domestic firms. For the past two decades, American companies with global operations have accounted for over half of all U.S. research and development and over half of all U.S. exports. They also have undertaken the majority of total U.S. investment in physical capital in the manufacturing sector. In addition, American companies without global operations pay their workers 5 to 15 percent less than American companies with global operations.

While American companies have sought opportunities in global markets, they have nearly three-fourths of their total employment in the United States. These American companies have provided an important source of new business opportunities in the United States, as the have purchased from U.S. suppliers over 90 percent of their intermediate inputs for their products, totaling $3 trillion in 1997. The foreign affiliates of American companies also have created significant new markets for U.S. companies, as foreign affiliates account for over 40 percent of U.S. exports. In addition, over 70 percent of the income from the foreign affiliates of American companies is repatriated, thereby promoting greater U.S. economic growth.

The trade liberalization shaped by the WTO and its GATT predecessor has been the major engine of the global economic growth that is so vital to our prosperity as a nation. Since the founding of the multilateral trading system at the end of World War II, the world economy has grown six-fold, per capita income worldwide has tripled, and hundreds of millions of families around the globe have risen from poverty. The historic liberalization under the Uruguay Round Agreements provided significant new market access through substantial tariff cuts on agricultural and industrial products, reductions in agricultural trade barriers, limits on the use of agricultural export subsidies, and the creation of new disciplines to open up global markets to services providers. This liberalization is expected to produce a $230 billion increase in world GDP and a $745 billion increase in world trade by 2005. This means an additional annual $100 to $200 billion in purchasing power for consumers worldwide.

Since the Uruguay Round, the WTO has helped to pave the way for continued growth in the 21st century by producing an information technology agreement cutting tariffs on $600 billion worth of trade in computers and other high-tech goods, a financial services agreement covering $60 trillion in financial transactions, and a telecommunications agreement opening up 95 percent of the world's telecommunications markets by eliminating monopolies and establishing procompetitive regulatory principles. The 1998 commitment among WTO members to maintain ''duty-free cyberspace'' also has laid the

foundation for world economic growth in new areas by ensuring the unhindered development of electronic commerce as a means to promote trade.

For the United States, this global economic growth has helped the U.S. economy grow from $7 trillion in 1992 to over $9 trillion last year. U.S. unemployment levels are now at their lowest point in 30 years, and U.S. poverty rates are the lowest in two decades. The WTO has helped to ensure that this growth is sustained even in times of economic instability as evidenced by the fact that U.S. exports of goods and services, even with the disruption of the Asian financial crisis, have grown by 55 percent since 1992 to a record total of nearly $959 billion last year.

WTO membership has grown since 1986 from 90 members to 136 members in April of this year, with 30 other countries applying for membership. As a result, the WTO is becoming a truly global system of trade rules in which WTO disciplines have become a key element not only in developed nations, but also in emerging economies in Central and Eastern Europe, Asia, Africa, and the Middle East. Achieving China's entry into the WTO and its integration into the rules-based world trading system is vital to this process and will help to ensure that China, the largest emerging economy in the world, develops its economy in accordance with WTO rules. China's WTO accession along with the U.S. extension of Permanent Normal Trade Relations (PNTR) to China will help to guarantee that the U.S. farmers, manufacturers, and services providers will reap the full benefits of the historic U.S.-China bilateral WTO accession agreement.

The United States also has benefited from the strong WTO dispute settlement process put in place as a result of the Uruguay Round Agreement. The United States has used the WTO dispute settlement process to ensure strong enforcement of U.S. rights under the WTO, as the United States has prevailed in 23 of the 25 U.S. WTO complaints acted on to date. It is important to note that while the WTO dispute settlement process is binding, compliance with WTO panel recommendations is voluntary. The WTO has no authority to force a member country to change its domestic laws or policies and therefore does not pose a threat to enforcement of U.S. health, safety, or environmental standards. In cases in which a WTO member chooses not to bring itself into conformity with a panel decision, the affected WTO member countries have the right to request compensation or to retaliate.

Maintaining strong U.S. support and leadership in the WTO is critical to ensuring full enforcement and implementation of existing WTO agreements, and to carry on the work of the WTO ''built-in'' agenda, including the negotiations on agriculture and services. It is essential that the United States sustain its effort to continue trade liberalization in agriculture and services through the ongoing negotiations and to find ways to build a consensus among WTO members to expand liberalization negotiations to include other areas, such as industrial tariffs, trade facilitation, and transparency in government procurement, and to successfully complete the sectoral accelerated tariff liberalization and information technology ITA II negotiations.

For the reasons outlined above, especially the benefits to the United States from the operation of the WTO over the last five years, ECAT member companies urge you to vote against H. Res. 90.

Sincerely,

ERNEST S. MICEK,
Chairman, Cargill, Incorporated and Chairman, Emergency Committee for American Trade.

U.S. TRADE,
Washington, DC, March 31, 2000.

Hon. BILL ARCHER,
House of Representatives,
Washington, DC.

DEAR REPRESENTATIVE ARCHER: On March 2, 2000, the President, pursuant to Sections 124–125 of the Uruguay Round Agreement Act (URAA), submitted the 1999 Trade Policy Annual Report to Congress which included an expanded assessment of the operation and effects of U.S. membership in the World Trade Organization (WTO). Under the law, any Member of either House could introduce a joint resolution that calls on the U.S. to withdraw from the WTO. We are writing to urge you to oppose H.J. Res. 90, introduced by Representative Ron Paul (R–14–TX), which calls on the United States to withdraw from the World Trade Organization.

Removing ourselves from the rules-based trading system would have disastrous consequences for the American economy, jeopardizing both the longest economic expansion in U.S. history and continued U.S. global economic leadership. The consequences include:

Agriculture: The WTO Agreement on Agriculture required countries, for the first time, to reduce or cap tariffs, export subsidies and internal support mechanisms, and established new science-based rules for measures restricting imports on the basis of human, animal or plant health and safety. If the U.S. withdrew, American farmers could be excluded from these benefits. Moreover, American farmers would not benefit from further negotiations already launched at the WTO to reduce trade-distorting export subsidies overseas. One-third of American farm production is sold overseas. These exports support approximately 750,000 American jobs.

Intellectual Property Rights (IPR): The enforcement mechanisms now available to the U.S. under the WTO's Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPs) are critical to American holders of patents, trademarks and copyrights. Total foreign sales of the core copyright industries amounted to an estimated $45.8 billion in 1993. TRIPs implementation has produced the most significant progress to date for protecting pharmaceutical patents in developing countries. We should not make the world safe for pirated American software, pharmaceuticals, and other high value-added products.

Manufacturing: With $527 billion in exports in 1998, the U.S. is by far the largest exporter of manufactured products in the world—17 percent larger than our nearest competitor. Manufactured products account for 62 percent of all U.S. exports and 72 percent of all U.S. imports. Under the Information Technology Agreement (ITA), 52 countries representing 95 percent of trade in high-tech products eliminated tariffs in a rapidly-expanding $600 billion global market that is critical to U.S. growth. Given these statistics, it should be no surprise that a rules-based international trading system—one that opens markets and protects against abusive trade practices—is more important than ever to American manufacturers.

Retailing: The U.S. retailing sector employs nearly one-fifth of the American workforce, and contributes greatly to the high U.S. standard of living by providing consumers with the wide variety of products they demand at affordable prices. Tariffs are essentially import taxes that, if re-introduced as a result of a U.S. pullout, could add 30 percent or more to the price of consumer products. As Federal Reserve Chairman Alan Greenspan has noted on several occasions, imports have also served as a great inflation-tamer in a period of rapid economic growth, and contribute substantially to our rising standard of living.

Services: The WTO General Agreement on Trade in Services (GATS) established a rules-based trading system for services. The WTO rules safeguard American service exports, which were $260 billion in 1998 and resulted in a surplus of $79.4 billion. The Basic Telecommunications Agreement represents 91 percent of the total domestic and international revenue of $600 billion generated in this sector annually. The Financial Services Agreement represents 95 percent of the international trade in banking, insurance, securities and financial information. Negotiations to further liberalize world-wide trade in services—including the delivery of services via electronic commerce—began in January 2000.

It's not just the economy that is at stake, but our national security as well. The rules-based trading system that has developed since the end of World War II stands in sharp contrast to the mushrooming trade barriers that the world saw in the 1930s. These policies sent trade flows into a long downward spiral that culminated in the virtual collapse of international commerce, depression and, finally, war. The bitter lessons of the first half of the 20th century provide a map of what roads not to go down in dealing with an integrated world economy—economic nationalism, isolationism and protectionism.

The WTO is by no means perfect. We, along with other groups, have advocated a range of measures to improve the functioning of the system. At the same time, it is indisputable that the rules-based trading system has been a positive force shaping the world since the end of World War II. It has played an essential role in the transformation of the American economy since the mid-1980s, driven in no small measure by the competition faced both here and abroad. Concerning the alleviation of poverty, trade is a key element in any economic growth strategy worth mentioning in the developing world.

U.S. membership in the World Trade Organization deserves the support of all Americans. We urge you to oppose H.J. Res. 90, which calls on the United States to withdraw from the World Trade Organization.

Sincerely,

3M
ABB, Inc.
ACE–INA Insurance
ACPA
Aerospace Industries Association of America
AFMA, formerly the American Film Marketing Association
Agriculture Ocean Transportation Coalition
Air Tractor, Inc.
Aitken Irvin Lewin Berlin Vrooman & Cohn, LLP
Alcan Aluminum Corporation
Aluminum Association
America Online, Inc.
American Apparel Manufacturers Association
American Assn of Exporters and Importers
American Bus. Council of the Gulf Countries
American Business Conference
American Bus Council of the Gulf Countries
American Chamber of Commerce in Germany
American Chamber of Commerce in Slovakia
American Council of Life Insurance
American Crop Protection Association
American Electronics Association
American Express Company
American Farm Bureau Federation
American Forest & Paper Association
American Institute for International Steel
American Insurance Association
American International Group

American Int'l Automobile Dealers Assn
American Iron And Steel Institute
American Petroleum Institute
American Plastics Council
American River International Ltd
American Textile Manufacturers Institute
American Wire Producers Association
Amway Corporation
Andersen Consulting
APCO Associates Inc.
ARCO
Armstrong World Industries, Inc.
Associated Industries of Massachusetts
Associated Industries of Missouri
Association of Intl Automobile Manufacturers
AT&T Corp.
Atlas Electric Devices Company
Austin Nichols & Company, Inc.
Automotive Trade Policy Council
Avon Products, Inc.
Bank of America
BASF Corporation
Bechtel Corporation
Bestfoods
Bethlehem Steel Corporation
Biotechnology Industry Organization
BMW (US) Holding Corporation
Boeing Company
Bretton Woods Committee, The
Brown & Williamson Tobacco Corporation
Business Roundtable, The
C & M International
California Council for International Trade
Cargill Incorporated
Caribbean/Latin America Action
Caterpillar Inc.
Cato Institute
Celanese Corporation
Champion International Corporation
Chase Manhattan Corporation
Chemical Manufacturers Association
Chicago Tribune
Chilean-American Chamber of Commerce
Chubb Corporation, The
CIGNA
Citigroup
Citizens Against Government Waste
CNH Global N.V.
Coalition of New England Companies for Trade
Coalition of Service Industries
Competitive Enterprise Institute
Computer & Communications Industry Association
ConAgra, Inc.
CONECT
Connecticut Business & Industry Assn, Inc.
Construction Industry Manufacturers Assoc.
Consumer Industry Trade Action Coalition
Consumers for World Trade
Coors Brewing Company
Copper and Brass Fabricators Council
Corn Refiners Association
Council of Growing Companies
Council of Insurance Agents and Brokers
Creative Pultrusions, Inc.
DaimlerChrysler Corporation
Detroit Free Press
Diamond Machining Technology Inc.
Distilled Spirits Council of the United States
Diversified Trade Company, LLC
Dow Chemical Company, The
Dow Corning Corporation
DuPont
Eastman Chemical Company
Eastman Kodak Company
ECAT
Edison Electric Institute
EDS
Hoffman International, Inc.
Hogan & Hartson
Honeywell International Inc.
Hong Kong Economic & Trade Office
Hormel Foods International Corporation
Huntway Refining Company
Information Technology Assoc. of America
Information Technology Industry Council
Ingersoll-Rand Company
Institute for Int'l Insurance Development
Intellectual Property Committee, The
Interactive Digital Software Association
El Paso Energy Corporation
Elan International LLC
Electronic Data Systems Corporation
Electronic Industries Alliance
Ellicott Machine Corporation International
Emerson Electric Co.
Employers Group
Enron Corp.
ERC Wiping Products Inc.
EREXCORP
Exxon Mobil Corporation
Farm Equipment Manufacturers Association
Fashion Accessories Shippers Association, Inc.
Federation of Israeli Chambers of Commerce
FMC Corporation
Forest City Gear Company
Foster Wheeler Corporation
Franklin International, Inc.
Gateway, Inc.
Gemmex Intertrade America, Inc.
General Electric Company
General Mills, Inc.
General Motors Corporation
German Industry and Trade
Global Customs Advisors
Global USA
Greenberg, Traurig, et al.
Grocery Manufacturers of America, Inc.
Guardian Industries Corporation
Halliburton Company
Hardwood, Plywood and Veneer Association
Hasbro, Inc.
Health Industry Manufacturers Association
Hewlett-Packard Company
High Voltage Engineering Corporation
Hills & Company
International Assoc. of Drilling Contractors
International Business Machines
International Business-Govt. Counsellors
International Dairy Foods Association
International Insurance Council
International Mass Retail Association
International Paper
International Strategic Advisors
Investment Company Institute
IPC, Assoc Connecting Electronics Industries
ITT Industries
Japan Automobile Manufacturers Assn.
JBC International
Jefferson Waterman International
JETRO
John B. Shlaes & Associates
John Hancock Financial Services
Johnson & Johnson
Joint Industry Group
Joseph E. Seagram & Sons, Inc.
Kissinger McLarty Associates
Landegger Industries
Lincoln National Corporation
Liz Claiborne, Inc.
Malichi International, Ltd.
Manatt, Phelps & Phillips
Manchester Associates
Manchester Trade
Manufacturers Assn of NW PA
Marconi Commerce Systems, Inc.
Massachusetts Inst for Social & Econ Rsrch.
Matsushita Electric Corporation of America
Maytag Corporation
MCI WorldCom
McLarty International
MD International
Merck & Company, Inc.
Merrill Lynch & Company Inc.
Merritt Tool Company
Miami Valley Marketing Group, Inc.
Michigan Manufacturers Association
Midmark
Motion Picture Association of America
Motor and Equipment Manufacturers Assoc.
Motorola Inc.
National Association of Manufacturers
National Association of Wheat Growers
National Center for APEC
National Fashion Accessories Association, Inc.
National Food Processors Association, The
National Foreign Trade Council
National Marine Manufacturers Assn.
National Oilseed Processors Association
National Retail Federation
National U.S.-Arab Chamber of Commerce
Nationwide
New York Life Insurance Company
Securities Industry Association
Semiconductor Equip and Materials Int'l.
SFI
New York Life International, Inc.
Nordic Group of Companies, Ltd.
North American Assn of Food Equipment Mfrs.
Northwest Environmental Business Council
Novartis Corporation
NPES The Association for Suppliers of Printing, Publishing and Converting Technologies
O'Melveny & Myers
Optical Industry Association
Oracle Corporation
Organization for International Investment
Owens-Illinois, Inc.
PACCAR Inc
Pacific Basin Economic Council-U.S. Committee
Pacific Coast Council of Customs Brokers & Freight Forwarders Assoc., Inc.
Pacific Northwest International Trade Association
Parker Associates
PepsiCo, Inc.
Pet Food Institute
Pet Friendly, Inc.
Pfizer Inc.
Pharmaceutical Research and Mfrs of America
Philip Morris Companies, Inc.
Pioneer Hi-Bred International Inc.
Polaroid Corporation
PPG Industries, Inc.
Praxair Inc.
Precision Metalforming Association
Princewaterhouse Coopers LLP
Principal Financial Group
Pro Trade Group
Procter & Gamble
Prudential
Purafil, Inc.
Ralston Purina Company
Reebok International, Ltd.
Representative of German Industry and Trade
Ross Manufacturing
Samuels International
Sara Lee Corporation
Sea-Land Service Inc/CSX Corp.
Seba International, Inc.
Secondary Materials and Recycled Textiles
Shelby Industries, Inc.
Siemens Corporation
SISCORP, Inc.
Skyway Luggage Company
Small Business Exporters Association
Smaller Business Assoc. of New England
Society of the Plastics Industry
Sonoco Products Company
Sony Electronics Inc.
St. Maxens & Company—Mattel
Staffing Innovations, Inc.

Stern Group, Inc., The
Synthetic Organic Chemical Manufacturers Association
Systems Integrated
Telecommunications Industry Association
Telect, Inc.
Tenneco
Texas Assn. of Business & Chambers of Commerce
Texas Instruments, Inc.
Textron Inc.
The AIMAC Center for ADR
The American Int'l Automobile Dealers Assoc.
The Clorox Company
The Gallatin Group
The Goodyear Tire & Rubber Company
The Hawthorn Group, L.C.
The McGraw-Hill Companies
The Port Authority of NY & NJ
The Sapphire Group, Inc.
The Stern Group
The Trade Partnership
Timken Company, The
Toy Manufacturers of America
TradeCom International, Inc.
Trans-Americas FSC, Inc.
Tricon Global Restaurants
TRW Inc.
U.S. Chamber of Commerce
U.S. Council for International Business
U.S. Dairy Export Council
U.S. Grains Council
U.S. Wheat Associates
Underwriters Laboratories
Unilever United States, Inc.
United Parcel Service
United Technologies Corporation
Universal Fabricators, Inc.
Unocal Corporation
US ASEAN Business Council
USX Corporation
Valmont Industries
Warnaco Inc.
Warner-Lambert Company
Washington Council on International Trade
Waste Equipment Technology Association
Westex International Inc.
Westinghouse Electric Corporation
Westvaco Corporation
Wheat Export Trade Education Committee
Whirlpool Corporation
White & Case, LLP
Wilhelm Resource Company
William T. Robinson PLLC
Willkie Farr & Gallagher
Wilmer, Cutler & Pickering
Wiring Harness Manufacturers Association
World Perspectives
World Trade Center Institute
Xerox Corporation

Mr. Speaker, I reserve the balance of my time.

Mr. DAVIS of Florida. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, the bill before the House of Representatives today simply says that we should withdraw from the World Trade Organization. If my colleagues have listened to the debate today, the question really is not whether we should withdraw, the question is how should we reform the WTO and what types of reforms we should pursue.

□ 1200

And the best example that has been cited today widely is the need to have a more open judicial process that more closely mirrors the process that has served us so well in the United States.

So the question before the House today is really what tactic should we take in order to pursue reform. And I would suggest that what we should do is stand up and act like leaders; act like leaders, as expected by other countries and by the citizens we represent here today. What they expect us to do is to take specific action and not just simply support some blanket general withdrawal of the WTO.

So let us begin to debate the specific types of reforms we need to undertake, and let us pursue our right in the World Trade Organization to lead an effort for a two-thirds vote, to pursue more openness and the other types of reforms we have debated today. And let us use our time on the floor more wisely. Let us debate how we can expand the benefits of trade for everybody, how we can expand the winners circle, how we can begin to open up the benefits of trade for more small- and medium-sized businesses, so that they too can enjoy the benefits of trade.

And let us get back to debate on what we can do to be an important partner with our States and our local governments to fund the types of job training and education programs that American workers need today to succeed and survive in this global economy. There are tax credits available; there are programs we know that can work, that can create partnerships between employers and employees so more of the people we represent can succeed in this global economy. That is the debate we ought to be having today. We ought to defeat this resolution and we ought to get back to work.

Mr. PAUL. Mr. Speaker, I yield myself 1 minute.

Let me say to the gentleman that reforms are not permissible. The Congress cannot reform the WTO. Only they can reform themselves. But they work in secret, and they have to have a unanimous vote. Our vote is equal to the country of Sudan. So do not expect it to ever be reformed. The only way we can voice our objection is with this resolution. And there will never be another chance to talk about the WTO for 5 more years.

Let me state that the Congress is required to state a constitutional justification for any legislation. The Committee on Ways and Means amazingly used article I, section 8 to justify their position on this bill. And let me state their constitutional justification. It says, ''The Congress shall have power to lay and collect taxes, duties, imposts and excises.'' But the Constitution says the Congress. But what we are doing is allowing the WTO to dictate to us.

Even those on the Committee on Ways and Means said that they endorse this system of ''fair trade administered by the WTO''. Who is going to decide what is fair? The WTO does. And they tell us what to do.

Mr. Speaker, I reserve the balance of my time.

Mr. LEVIN. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. DOGGETT).

Mr. DOGGETT. I thank the gentleman for yielding me this time. I certainly oppose our withdrawal from participation in the World Trade Organization, but I share many of the concerns that have been voiced here today concerning the way the WTO operates.

When a dispute arises in the WTO, perhaps over another nation's claim that an environmental law represents a discriminatory barrier to international commerce, the WTO tribunal acts in a somewhat star chamber-type proceeding. The complaint itself may be sealed. The hearings are closed. The briefs are confidential. If there are outside concerned parties that would file an amicus brief, if a United States court were involved, they are denied that right to reflect broader policy considerations that might arise from the dispute resolution. And conflict of interest procedures are lacking.

I do not think, given that circumstance, that there can be any wonder why conspiracy theorists and why many people, who simply have a reasonable and legitimate concern about the environment and human rights, are very suspicious about the way that the WTO operates.

An additional area of the decision-making processes of the WTO concerning trade policy, though not relating directly to dispute resolution, also fails both to provide openness and adequately to involve nongovernmental organizations or other international organizations, such as the World Health Organization. WTO reports are not being released immediately too much information is being classified out of public view.

I do not believe that this administration has done enough to open up the processes of the WTO, nor has the international business community worked vigorously enough to open up the processes. The propensity of the WTO bureaucracy and many of our trading partners to be consumed with secrecy presents much of the problem that we have here today.

Despite that wrongful secrecy, it should be noted that many of those who are basically opposed to more international trade have misstated or greatly exaggerated the consequences of WTO decisions. Of the 140 issues that have been brought before the WTO, only about 10 have involved health or environmental concerns, and these have not produced the adverse consequences claimed by some WTO opponents.

I believe we need a trade policy that addresses environment and health concerns as much more central concerns. Have a sustained push for real reform of the WTO, but we must not follow a course of economic isolationism. That latter course would only reduce our economic growth, increase consumer prices, and reduce opportunities for more good high paying jobs in Central Texas and across the country.

Mr. LEVIN. Mr. Speaker, may I ask how much time is remaining on the four sides, please.

The SPEAKER pro tempore (Mr. GILLMOR). The gentleman from Michigan (Mr. LEVIN) has 8¼ minutes remaining; the gentleman from Texas (Mr. PAUL) has 5¼ minutes remaining; the gentleman from Oregon (Mr. DEFAZIO) has 9½ minutes remaining; and the gentleman from Illinois (Mr. CRANE) has 7½ minutes remaining.

Mr. LEVIN. Mr. Chairman, I yield 3 minutes to the gentleman from Massachusetts (Mr. NEAL), a member of the Committee on Ways and Means.

(Mr. NEAL of Massachusetts asked and was given permission to revise and extend his remarks.)

Mr. NEAL of Massachusetts. Mr. Speaker, I thank the gentleman from Michigan for yielding me this time.

I agree with all those who have said it is important for the future of America and for our economy to continue to participate in the World Trade Organization. It is simply common sense that the nation with the most open trade regime in the world would gain from supporting the international organization whose purpose is to open up the trade regimes of all nations and police those arrangements.

Many Members today have talked about the faults of the WTO, and the gentleman from Michigan (Mr. BONIOR), is in part correct; they are many. But we have to keep in mind that these faults take place against a backdrop of international agreement and cooperation. We are not going to win every case, and sometimes the WTO is simply going to be wrong. But that does not mean that we are better off without having a WTO. It provides a place to resolve trade conflict that historically can easily escalate into more serious matters.

There are a number of improvements to the WTO that we want and have been working to persuade other countries to agree to, and the Committee on Ways and Means speaks to that frequently. They involve opening up the WTO to public view and input, expanding the scope of trade agenda to fit the realities of modern technology and economic integration, consistent enforcement of core labor standards, bringing environmental considerations more forcefully into the discussion, and certainly reaching out to developing countries.

However, there is something we can do here that is equally important, and we need to do it ourselves. In these trade debates, including the debate that we recently had over China, and others as well, they are infused with a certain cultural elitism that needs to be changed. Those who make key decisions in this Nation on trade issues are going to have their jobs, for the most part, after the decision is made. But there are thousands and thousands of people who believe that they will not, and they are scared about it.

A factory that closes in New England and moves to Tennessee, a merger between two companies that leads to downsizing for cost efficiencies, and the start-up of new production lines overseas all look about the same from the factory floor. While we criticize and support the WTO throughout the morning, I would ask Members, Mr. Speaker, to think about the job we need to do to talk about trade in such a way that it is less threatening and more universally accepted.

If we cannot change the tone of the debate, if we cannot sell free trade to those who are nervous about it, then perhaps we have a lot less to say than we thought. And I would predict that if we do not, and we simply vote against this resolution and go on our merry way, then we are going to have a much bigger problem 5 years from now.

Mr. DEFAZIO. Mr. Speaker, I yield myself 3 minutes.

Financial Times, senior WTO staffer: ''The WTO is the place where governments collude in private against their domestic pressure groups.''

I would posit that actually the WTO is working very much the way its principal authors intended, and its principal authors were the multinational corporations who want to be unfettered from the restrictions of consumer rights, labor rights, environmental rights and protections.

The WTO does have a few standards. It prohibits slave and prison labor. It does not prohibit child labor, bonded child labor. On the environment, it does allow cases to be brought on the issue of the environment. A case can be brought against any nation's environmental laws as not being the least trade restrictive, but there is no mechanism to bring a case for having a lack of environmental laws or a lack of enforcement of environmental laws, if they exist.

And then, of course, consumers. Consumers are not part of the equation here, except the buying power they might present. This organization does not allow nations to have the precautionary principle upon which most of our consumer protections and environmental laws are based. It sets new standards that they say are scientifically based and higher than the precautionary principle.

We have to prove a substance is harmful before we can prohibit it. Thalidomide would have had to be imported into the United States, under the WTO rules, until it was proven that it was causing horrible birth defects. It was a guess by a person at the FDA that kept it out of this country. They did not have a scientific basis. They were applying the U.S. precautionary principle. They saved tens of thousands of babies from being horribly deformed in this country. But under the WTO we could not do that because we could not prove it before the fact.

Now, I would posit that this is working exactly as was intended. People who are well intentioned have stood here and called it a star chamber process and said it needs reform. And I think others who are a little less well intentioned are up here saying, oh, of course, it needs reform. We will go back to the organization. We will go to the members and ask them to reform.

We will go to some of the members of the WTO and ask them to put forward reform proposals. I think we are going to ask Cuba to put forward reform proposals. Well, no, maybe not Cuba. How about Myanmar, that great bastion of human rights abuse. No, I do not think Myanmar is going to put them forward. Well, maybe Pakistan. How about the OPEC countries, who are constraining trade to drive up gasoline prices in the United States?

I have asked the U.S. to file a complaint at the WTO against them. Our Trade Representative says, oh, no, we cannot do that. Well, I am not sure why we cannot do it. I think they are violating rules of the WTO. Or maybe we just cannot do it because the WTO is really designed to protect corporate multinational interests and the profits of gasoline companies and the oil companies, which are up 400 to 500 percent. People in the Midwest are paying up to almost $3 a gallon, and we cannot do anything about that in the WTO; but we can stick it to consumers, we can stick it to the environment. We cannot protect things we believe in, except the multinational corporations.

Mr. CRANE. Mr. Speaker, I yield myself such time as I may consume.

In 1990, before the WTO, trade protection cost U.S. consumers approximately $70 billion per year. Trade barriers hit the lowest income consumers the hardest because they have to spend a greater share of their paychecks on the everyday products most affected by hidden import taxes. I am referring to such things as clothes, shoes, and many food products.

According to the U.S. Trade Representative, the market access opportunities culminating in the Uruguay Round amount to ''the largest global tax cut in history.'' By the time the WTO agreements are fully implemented in 2005, the annual effect will be equal to an increase of $1,500 to $3,000 in purchasing power for the average American family of four. By giving American consumers more buying power with every dollar, the WTO helps to raise the living standards for America's families, especially low-income families.

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Moreover, as Americans buy more, the availability of low-cost imports has helped to ward off inflation. Holding down inflation helps to keep mortgages, car loans, credit card interest, and other credit expenses lower.

Mr. Speaker, I think it is vital for our colleagues to pay attention to the discussion that is being held here today, to examine the evidence, and conclude to vote against H.J. Res. 90.

Mr. Speaker, I reserve the balance of my time.

Mr. LEVIN. Mr. Speaker, I reserve the balance of my time.

Mr. PAUL. Mr. Speaker, I reserve the balance of my time for closing.

Mr. DEFAZIO. Mr. Speaker, may I inquire of the Chair as to who will have the right to close?

The SPEAKER pro tempore (Mr. BARRETT of Nebraska).

The majoirty manager, will be the last speaker.

Mr. LEVIN. Mr. Speaker, so the speakers will be in what order?

The SPEAKER pro tempore. The gentleman from Oregon (Mr. DEFAZIO), the gentleman from Texas (Mr. PAUL), the gentleman from Michigan (Mr. LEVIN), and the gentleman from Illinois (Mr. CRANE).

Mr. LEVIN. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from California (Mr. Dooley).

(Mr. DOOLEY of California asked and was given permission to revise and extend his remarks.)

Mr. DOOLEY of California. Mr. Speaker, as our world's economy makes the transition from an industrial-based economy to one that is information based, what we are finding increasingly is that geography is going to become less important. We are going to find that national borders are no longer going to be barriers to the flow of information, to the flow of commerce, and to the flow of new ideas.

What is important for us to understand, as globalization takes hold, is that we have these international bodies that can develop the rules of the road that can ensure that we can have a level of certainty in terms of how international laws related to trade can be effectively and equitably implemented.

There is no country that has more at risk in this endeavor as the United States, with our country only having 4 percent of the world's population, 96 percent of the world's population outside our borders, when we look at the fact that we consume 25 percent of all the world's GDP. It is important for us to understand that we have more at risk than any country in terms of the opportunities that a consistent set of rules that help to guide international trade provide us.

I also would make a strong case that, for those of us who are very interested in seeing how we can advance issues related to human rights, how we can advance issues that can elevate labor and environmental standards, is that the WTO has the potential to be one of the most effective vehicles in order to achieve that outcome.

Because if we ever looked to see what would be the impact of this legislation passing today, it would, basically, leave us without an effective mechanism with which the United States can exert its influence among a world body.

And so, that is why I think it is important for us to certainly vote against this measure today and dedicate ourselves to continue to have the United States provide the leadership through the WTO to advance the issues of labor and environmental standards.

This will make good sense in terms of ensuring that U.S. workers have the economic opportunities the global marketplace provides and, also, to maximize the influence of the United States in developing countries.

Mr. LEVIN. Mr. Speaker, I yield 1 minute to the distinguished gentleman from New Jersey (Mr. HOLT).

(Mr. HOLT asked and was given permission to revise and extend his remarks.)

Mr. HOLT. Mr. Speaker, I rise in opposition to this bill to call for removal from the World Trade Organization.

Quite simply, the reason for the WTO is that organized, rule-based trading is more reliable and more beneficial to all than unregulated exchanges. This is what we were talking about just a few weeks back when we are talking about permanent normal trade relations with China.

I think the argument follows that, of course, what is good for trading of goods is also relevant to other things we hold important. And certainly, the WTO is far from perfect. We need to make some improvements with regard to transparency and the information that is included in the decision-making and public disclosure, and we need to improve the trade and labor working groups and the way the environment is considered. But without the organization, we have nothing to work with.

It should be clear that a trade free-for-all is not better than a principle-guided trade regime.

Mr. DEFAZIO. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, a recent study by the School of Public Affairs at the University of Maryland found 93 percent of Americans agree with the statement ''Countries that are part of international trade agreements should be required to maintain minimum standards for working conditions.'' Over 80 want to buy products made by children under the age of 15. Seventy-eight percent said labor standards and environmental protections should be part of the agreement. Seventy-four percent said countries should be able to restrict the import of products if they are produced in a way that damages the environment. Seventy-four percent said there should be a moral obligation to ensure foreign workers do not have to work in harsh or unsafe working conditions.

Guess what? None of those things are protected by the WTO. None of them are allowed to be protected by the current rules of the WTO by us, by the United States, enforcing those values in trade.

We cannot restrict the movement of goods produced under any of those problem conditions by child labor, bonded child labor, in an environmentally destructive manner, on and on. The list goes on. Labor rights. Those are not part of this agreement.

The gentleman from Illinois talked about American consumers are benefiting so much. He might have said the newly impoverished American workers that have lost their jobs to unfair foreign trade have more buying power. But, of course, that is absurd. Because, since their wages have dropped dramatically or have been held steady by the fact that we cannot go out and enforce labor rights or higher standards of living through these trade agreements, all we can do is chase the cheapest labor around the world to the bottom, those people, in fact, are not doing so well. We are running huge and growing trade deficits. Under this regime there are so many problems.

This is an indiscriminate tool, and I admit that. But we are never allowed to debate this issue on the floor. When we passed it, it was an up or down vote on this huge volume that no one had read. Now we are told we get 2 hours out of the 20 hours we were supposed to have to debate the issue. Again, up or down vote, in or out, trade or no.

Well, I would suggest that many of the dozens and dozens of Members who have come to the floor and said there are problems with this, we need to change it, should vote present if they cannot vote no to send their concerns.

Mr. Speaker, I yield 2½ minutes to the gentlewoman from Ohio (Ms. KAPTUR).

Ms. KAPTUR. Mr. Speaker, I thank the gentleman for yielding me the time, and I rise in support of the resolution to withdraw the United States from the World Trade Organization.

It had not been my intent to do that today, since I do believe in a world trading regime with strict, enforceable rules that are inclusive of not just capitalists' rights but laborers' rights, environmental protection, and the standards of democracy building that all of us would hope we could aspire to.

But today I rise in protest, my vote against WTO will be a protest vote. Because in Ottawa, Ohio, right next door to where I live, Netherlands-based Philips Components also has announced that it will move 1,500 more area jobs to Mexico.

The firm is going to take the production lines that exist at this Ottawa plant and transfer it to Mexico over a 3-year period starting now. Work will be moved on making the 25- and 27-inch picture tubes. And the spokesman for Philips, which is based somewhere in the Netherlands, no one seems to be able to find it, we cannot even get a phone call returned, we get a recording when we call the firm in Ohio, a spokesman for Philips declined to give any specifics on the Mexican facility, even what city these goods will be moved to or what the factory is making now.

Yesterday's announcement had been dreaded in this Putnam County, Ohio, community. Now, David Thompson, the Philips' spokesman, said, the company maintained that moving production to Mexico was the best alternative for the long-term health of the business, so any counter-proposal for the company to stay had to come from Local 1654, the International Brotherhood of Electrical Workers.

But as the newspaper reports this morning, when John Benjamin of that local contacted company representatives several times trying to find what areas they felt needed to be addressed in the contract, they received no response.

So today my vote against the U.S. involvement in WTO is a protest vote, and it is standing with the workers of our country who have no rights in this regime.

I have tried to get the head of another group of workers in Ohio whose jobs had been moved to China to come and meet with these workers to help these 1,500 people adjust to the world that they are about to face now, and the leader from the other company said he was going through a divorce because life has been so hard for them. They have lost over 2,000 jobs to China.

I stand in protest to this regime, which turns its back on the working people of our country. It is absolutely wrong. I rise in support of this resolution.

Mr. CRANE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to remind our colleagues that we are the biggest export nation on the face of this Earth. Every billion dollars in increased U.S. exports translates into roughly 15,000 to 20,000 new jobs here in the United States. And those new jobs that are trade-related jobs pay on average about 17 percent more than jobs simply for domestic consumption.

In other words, trade is one of the biggest benefits economically this country has experienced. We are at a point because we have been at full employment for almost 5 years now where we are importing skilled labor, thousands of skilled workers, because of the shortage of workers we have in this country. And there has been some suggestion by the gentleman from New York (Mr. SWEENEY) that there may be 6 million illegal immigrants working in the United States that are filling those empty slots because we have no opportunities for any increased jobs. We are short of labor in this country, just like we are short of virtually everything else.

Let me read a Statement of Administration Policy here for the RECORD:

Though its origins date back more than 50 years, the WTO continues to be a critical forum for the United States to (1) assert and advance U.S. interests in the global economy; (2) lower trade barriers and promote new opportunity for American workers, firms, and farmers; (3) advance the rule of law; (4) promote economic stability and peace by giving nations stronger stakes in one another's prosperity and stability.

If the United States did not participate in the WTO, we would (1) expose ourselves to discrimination by virtually all other major trading nations; (2) weaken our ability to get other countries to abide by trade commitments; (3) threaten U.S. competitiveness and living standards; (4) create uncertainty and risk in the U.S. and world economy.

U.S. participation and leadership in the WTO is critical at this time. There are more than 30 nations, including some economies in transition, seeking to join the WTO, as well as a number of developing countries that are working to meet their WTO obligations. Withdrawal of congressional support for the multilateral system would send precisely the wrong message to these countries.''

Mr. Speaker, I reserve the balance of my time.

Mr. LEVIN. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Texas (Mr. BENTSEN).

(Mr. BENTSEN asked and was given permission to revise and extend his remarks.)

Mr. BENTSEN. Mr. Speaker, I rise in opposition to this resolution.

Mr. Speaker, I want to say to the gentlewoman from Ohio (Ms. KAPTUR), I totally agree with her statement and she has every right to be angry. We do not do a very good job at all in this country of helping those who lose from trade, even though I strongly believe that the majority of Americans benefit from trade and I concur with what the gentleman from Illinois (Mr. CRANE) just said. She has every right to be angry.

But this prescription being proposed, withdrawing from the WTO, would not do one thing to help those workers in Ohio or any other workers; and, in fact, it would probably make their lot worse.

What the gentleman, my dear colleague from Texas (Mr. PAUL) is proposing, would lead us down the road towards trade anarchy at the expense of the American worker and the American consumer. It would not solve the legitimate concerns that some of the proponents of this resolution have. It would make matters much worse for all Americans.

I hope the whole House will reject this unwise resolution.

Mr. Speaker, I rise in opposition to H.J. Res. 90, a resolution to withdraw Congressional approval of the agreement establishing the World Trade Organization (WTO). I want to point out that the Ways and Means Committee reported this resolution adversely by a unanimous roll call vote of 35 to 0.

U.S. membership in the WTO is clearly in our national interest. The multi-lateral rules-based trading system of the WTO, which was first established in 1947 as part of the General Agreement on Tariffs and Trade (GATT), has been vital to global economic growth, peace and stability. In its five-year existence, the WTO has helped create a more stable climate for U.S. businesses, improved market access for industrial goods, agricultural products and services worldwide, promoted the protection and enforcement of intellectual property rights, and provided an effective means for settling trade disputes. More than any other member, the U.S. has benefited from the dispute resolution mechanism, winning 23 of the 25 actions it has brought against other WTO members.

It is important to note that while WTO dispute settlement process is binding, compliance with WTO panel recommendations is voluntary. The WTO has no authority to force a member country to change its domestic laws or policies and therefore poses absolutely no threat to enforcement of U.S. health, safety, or environmental standards. In cases in which a WTO member chooses not to bring itself into conformity with a panel decision, the affected WTO member countries have the right to request compensation or to retaliate.

The trade liberalization shaped by the WTO and its GATT predecessor has been the major engine of global economic growth and is vital to our continued economic prosperity. Since the founding of the multilateral trading system at the end of World War II, the world economy has grown six-fold, per capita income worldwide has tripled and hundreds of thousands of families around the world have risen from poverty. For the U.S., this global growth has helped the economy grow from $7 trillion in 1992 to $9 trillion in last year. The WTO has helped to ensure that this growth is sustained even in times of economic instability as evidenced by the growth of U.S. exports of goods and services, even with the disruption of the Asian financial crisis, have grown by 55 percent since 1992 to a record total of nearly $959 billion last year.

During the first five years of the WTO, the U.S. economy generated 1.4 million new jobs. Almost 10 percent of all U.S. jobs—nearly 12 million—now depend on our ability to export goods abroad. Membership in the WTO also yields concrete benefits to Texas workers and families. Since the WTO was created, U.S. exports have grown by $235 billion, creating thousands of jobs for Texas workers. Texas is the second largest exporting state in the U.S., totaling more than $78 billion in exports in 1998. Texas and the U.S. would lose these benefits if it withdraws from the WTO and member countries could, and likely would, erect a host of protective barriers to U.S. goods and services. They could, in fact, block U.S. access to their markets altogether. Given that international trade now accounts for nearly one-third of U.S. gross domestic product and one-fourth of U.S. income, Texas and the U.S. simply cannot afford to lose access to these markets.

The WTO is not a perfect organization. While I will vote against this resolution, I believe we should open up the WTO to greater public view and public input. Recent events have shown us that as trade has increased and had greater impact on people's lives, there has been a greater desire for knowledge about the WTO and the development of international trade rules. Opening the process, by allowing public submissions to dispute settlement panels and opening panel proceedings to public view will go a long way toward making Americans more comfortable with WTO recommendations.

Trade now represents nearly one-third of our economy. Leaving U.S. exports and imports with no effective rules or framework is reckless and counterproductive. Withdrawal of U.S. support for the WTO would undermine the tremendous growth and prosperity that the U.S. has achieved through the expansion of world trade—an expansion enabled by the WTO and the multilateral trading system.

Mr. Speaker, I urge my colleagues to support the growth of international trade and institutional reform and urge a ''no'' vote on this resolution.

[From the Blade, Toledo, OH, June 21, 2000]

SHIFT OF PHILIPS JOBS OFFICIALLY SCHEDULED

OTTAWA, OH.—Netherlands-based Philips Components has made it official: It will

move 90 per cent of its television-tube production from this northwest Ohio town to a facility it bought in north-central Mexico, leaving 1,500 area workers without jobs.

The Ann Arbor-based division of Royal Philips Electronics announced yesterday that production lines from the Ottawa plant will be transferred in phases to Mexico over a three-year period, starting in the last six months of 2001. When the move was disclosed in April, the company said it planned for the transfer to start next spring.

The equipment to be moved from the Ottawa plant will join machinery for two new production lines in an existing factory. Work to be moved from Ohio to Mexico is production of 25-inch and 27-inch picture tubes. A spokesman for Philips declined to give any specifics on the Mexican facility, even what city it is in or what the factory makes now.

The Ottawa plant will retain 250 to 300 workers to make 32-inch tubes.

Yesterday's announcement, although expected, has been dreaded in this Putnam County town.

''It's definitely a hit. But we had tried to run this community like a business, so we've been planning for it and we'll survive,'' said John Williams, municipal director of the village of Ottawa.

The company said in April and reiterated yesterday that the move to Mexico is part of its strategy to improve the efficiency and cost effectiveness of its manufacturing operations because retail prices in the North American market have declined.

David Thompson, a Philips spokesman, said the company maintained that moving production to Mexico was the best alternative for the long-term health of the business, so any counterproposal needed to come from Local 1654 of the International Brotherhood of Electric Workers.

''We needed to take a look at significant cost-savings in production . . . and the union never came back with a counterproposal, so we finalized our plans,'' said Mr. Thompson.

John Benjamin, president of Local 1654, said union officials contacted company representatives several times trying to find what areas they felt needed to be addressed, either in the contract or otherwise, and received no response.

''We've seen it at other facilities where workers have given up stuff to secure their future and it didn't work,'' said Mr. Benjamin, a 34-year employee of the plant.

The current contract expires Sept. 27 and Mr. Benjamin said he has contacted the company about dates to start renegotiating a contract.

''We've got to have something in place for people until they find other work,'' he said. He declined to reveal what type of severance package or retraining help the union might be seeking.

Since the announcement two months ago, the Ottawa plant has lost about 3 per cent of its work force, prompting the company to offer an updated bonus plan to raise production levels. The union's Mr. Benjamin said workers with greater seniority will be allowed to bump into jobs that are staying in Ottawa.

Severance packages for the 1,300 hourly workers who will lose their jobs will be negotiated. Severance and benefit packages are being prepared for the 200 salaried workers who will lose their jobs, Mr. Thompson said.

Mr. Williams, Ottawa's municipal director, said village officials contacted legislators and learned that the plant's workers are eligible for displacement benefits under the North American Free Trade Agreement but that will be handled by the federal government.

The SPEAKER pro tempore. The Chair would advise Members that the gentleman from Oregon (Mr. DEFAZIO) has 2 minutes remaining, the gentleman from Texas (Mr. PAUL) has 5¼ minutes remaining, the gentleman from Michigan (Mr. LEVIN) has 1½ minutes remaining, and the gentleman from Illinois (Mr. CRANE) has 3 minutes remaining.

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Mr. DEFAZIO. Mr. Speaker, I yield myself the balance of my time.

The gentleman from Illinois just quoted a statement about exports and 15 to 20,000 jobs per $1 billion. Apparently that is true. But unfortunately one cannot just use one side of the equation. One has to get to the net. The net is we ran last year a $271 billion trade deficit which by his math would mean 4,065,000 jobs were lost. We are heading toward more than $300 billion this year, and the administration itself admits with the accession of China our trade deficit with China and PNTR will grow dramatically. So you cannot just use the side of the equation that goes to your argument. It goes both ways.

We are running a huge and growing trade deficit because American workers cannot and should not be competing with bonded child labor, with people who work in unsafe conditions, with people who work in factories where they dump the toxic waste out the back door. No, that is not what the U.S. represents, that is not what we want to drive the rest of the world to, and it is not what we should be driving our Nation to. We should be demanding more. This organization was set up basically so it could not be changed. You are going to get Cuba and China and Myanmar and those other great bastions of democracy, workers rights, environmental protections to go along with improvements in the WTO? I think not. But it is working quite well for their oppressive regimes as well as it is working for the giant multinational corporations. It is working as designed.

Every once in a while, once every 5 years we will be allowed 2 hours on the floor of the House, if we are still here, to stand up and debate this issue; but we will never see a resolution demanding improvements on the floor of this House, even though dozens of Members have come here and said, it is wrong, it has got to be fixed, we cannot be in this organization unless they fix the dispute resolution, unless they protect the environment, unless they protect workers.

If Members really believe that and they cannot bring themselves to vote for the resolution, then I urge them at least to cast a protest vote for reform by voting ''present.''

Mr. PAUL. Mr. Speaker, I yield myself the balance of my time.

''Peace, commerce and honest friendship with all nations, entangling alliances with none, I deem one of the essential principles of our government and consequently one of those which ought to shape its administration.'' Thomas Jefferson.

Thomas Jefferson, I am sure, would be aghast at this WTO trade agreement. It is out of the hands of the Congress. It is put into the hands of unelected bureaucrats at the WTO. I would venture to guess even the Hamiltonians would be a bit upset with what we do with trade today. I am pro-trade. I have voted consistently to trade with other nations, with lowering tariffs. But I do not support managed trade by international bureaucrats. I do not support subsidized trade. Huge corporations in this country like the WTO because they have political clout with it. They like it because they have an edge on their competitors. They can tie their competitors up in court. And they can beat them at it because not everybody has access. One has to be a monied interest to have influence at the World Trade Organization.

Earlier today I predicted that we would win this debate. There is no doubt in my mind that we and the American people have won this debate. We will not win the votes, but we will do well. But we have won the debate because we speak for the truth and we speak for the Constitution and we speak for the American people. That is why we have won this debate. It is true there are a lot of complaints about the WTO from those who endorse it. I think the suggestion from the gentleman from Oregon is a good suggestion. Those who are uncomfortable with the WTO and they do not want to rubber-stamp it, and they do not think it is quite appropriate to vote ''yes'' on this resolution, vote ''present.'' Send a message. They deserve to hear the message. We have no other way of speaking out. Every 5 years, we get a chance to get out of the WTO—that's it.

We cannot control the WTO. None of us here in the Congress has anything to say. You have to have a unanimous vote with WTO to change policy. Our vote is equal to all the 134 other countries; and, therefore, we have very little to say here in the U.S. Congress.

Why is it that I have allies on the other side of the aisle where we may well disagree on the specifics of labor law and environmental law. We agree that the American people have elected us, we have taken an oath of office to obey the Constitution, that we have a responsibility to them and we should decide what the labor law ought to be, we should decide what the environmental law should be, we should decide what the tax law should be. That is why we have an alliance.

But let me remind my colleagues, the American people are getting frustrated. They feel this sense of rejection and this loss of control. Why bother coming to us? We do not have control of the WTO and they feel like they are being hurt. This is the reason we are seeing demonstrations. They say if we did not have the WTO we would have anarchy? I predict chaos. I predict

eventual chaos from WTO mismanagement. The trade agreement is unmanageable. They would like to do it in secrecy, and they like to wheel and deal; but it is unmanageable.

Let me say there is another reason why we expect chaos in the economy and in trade. It has to do with the trade imbalances. Today we are at record highs. The current account deficit hit another record yesterday. It is 4.5 percent of the GDP, and it is significant. But unfortunately the WTO can do nothing about that because that is a currency problem. It too causes chaos. Yet there will be an attempt by the WTO to share the problem of imbalances. Just think of how NAFTA came to the rescue of the Mexican peso immediately after NAFTA was approved; a $50 billion rescue for the politicians and the bankers who loaned money to Mexico.

Quite frankly, I have a suspicion that when the Chinese currency fails, that will be one of the things that we will do. China will be our trading partner. They are in the family of countries, so therefore we will bail out their currency. That is what I suspect will happen. Why else would the Chinese put up with the nonsense that we pass out about what we are going to do, investigate them and tell them how to write their laws? They have no intention of doing that. I think they are anxious to be with WTO because they may well see a need for their currency to be supported by our currency, which would be a tax on the American people.

This is a sovereignty issue. We do not have the authority in the U.S. House of Representatives to give our authority to the President. We do not have the authority and we should never permit the President to issue these executive orders the way he does, but this is going one step further. We have delivered this sovereignty power to an unelected bunch of bureaucrats at the WTO.

Mr. LEVIN. Mr. Speaker, I yield myself the balance of my time.

The WTO has its roots in the decision of this country and others after the Second World War not to make the mistakes that we made after the First World War, and that was for this country to engage, to take a leadership position, to craft international institutions to respond to problems, to challenges, and to opportunities. Trade is not win-win. There are losers as well as winners. Our challenge is to try to make sense out of that dynamic, to try to make sure that in our country we come out ahead and not fall behind in terms of the international scene.

They say send a message. It is the wrong message. It is the message of withdrawal. It is a message to tear down. It is much harder to build, and it is easy to tear down. Do not tell me the WTO never changes. I went to Geneva with others to work to safeguard our antidumping laws in those negotiations and we succeeded. If Members think the world is unmanageable, if they want to put blinders on, vote ''yes'' or ''present.'' If they want to roll up their sleeves and make this a better world economically for this country and the other nations, vote no. Vote no.

Mr. CRANE. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, we have heard references made to jobs; we have heard references made to our trade deficits. The economic concerns involved in trade are important, but I think it is important for us to recognize that trade plays a critically important role in our economy today, and it is because we are less than 5 percent of the world's population and the market is beyond our borders and we have bountiful employment. We are at the biggest increases in gross domestic production that we have experienced in years. In fact, last year over $9.2 trillion was our GDP. I think it is important to recognize, too, the studies have already discovered that better than 90 percent of job dislocation here in the United States is totally unrelated to trade. When we then wonder about these increases in U.S. deficits, it is because of the insatiable appetites we have; and notwithstanding our incredible productivity, we cannot produce enough to meet the demands of the American consumers here at home.

Let me conclude with a point, and this deals with the question of sovereignty. U.S. law which approved and implemented America's membership in the WTO makes clear that the U.S. reigns supreme.

The Uruguay Round Agreements Act, URAA, states, ''No provision of any of the Uruguay Round Agreements, namely, the WTO agreements, nor the application of any such provision to any person or circumstance that is inconsistent with any of the United States law shall have effect.''

Secondly, ''Nothing in this act shall be construed to amend or modify any law of the United States, including any law relating to, one, the protection of human, animal or plant life or health; two, the protection of the environment; or, three, worker safety unless specifically provided for in this act of Congress.''

Mr. Speaker, I think it is essential that all Members here recognize the importance of this vote. I know we have some honest disagreements. I hope that we can move some of our opponents in this debate through a presentation of facts and the evidence to a different position. But in the interim, I think it is vital that Members recognize that we must vote down H.J. Res. 90.

Mr. CROWLEY. Mr. Speaker, I speak today in strong opposition to H.J. Res. 90, which seeks to withdraw Congress's approval of the agreement establishing the World Trade Organization (WTO).

Although I have come to this floor many times to oppose pieces of legislation that I believe would damage U.S. interests; few of them pose a greater danger than this one.

Since the failure of the International Trade Organization (ITO) to gain recognition by key nations, such as the United States, the world has relied on the General Agreement on Tariffs and Trade (GATT) as a temporary measure to help liberalize international trade and promote world economic growth. This measure, although imperfect, remained in effect from 1948 until 1995 when the World Trade Organization effectively replaced it.

Although the GATT was an effective tool for reducing tariff barriers, it was an ineffective instrument when it came to dealing with dispute settlement procedures and did not apply to services or intellectual property.

Now, with the WTO, nations, including the United States, have an effective international regime in place to settle trade disputes and further promote trade liberalization, not just in tariff reductions, but in non-tariff barriers as well.

The United States has played an extremely active role in the creation of the WTO and has been an active member. Since the creation of the WTO, the United States has won the majority of its cases that have reached a final decision. Additionally, the United States has filed almost half of the distinct cases considered by the WTO. Clearly, we are one of the most active participants in this organization and it is responding favorably to our concerns.

Mr. Speaker, U.S. exports of goods and services accounted for one-third of U.S. economic growth in the past seven years. We need the WTO to safeguard the global trading system to ensure safe and predictable trading patterns. This is vital to our economy because it has created millions of new jobs for Americans.

While I understand the concerns of many of my colleagues about some of the WTO rulings, such as the shrimp-turtle case, withdrawal from the WTO is not the answer. Rather, we must work with other nations to ensure our trade agreements consider issues such as the environment, worker rights and human rights. The WTO, like any international organization, has the ability to grow and adapt. In order to effect the future of the WTO in a positive way, as we have the past and the present, we must continue to play a leading role.

Mr. Speaker, I urge my colleagues to oppose this resolution.

Mr. KNOLLENBERG. Mr. Speaker, I rise today in opposition to this resolution. The WTO serves as a forum for negotiations to eliminate trade barriers, allowing us to export our goods and services freely around the world. It provides the only multilateral dispute mechanism for international trade, administers rules to discourage discrimination, and ensures greater security on how trade will be conducted. For example, stronger dispute resolution procedures within the WTO prevent nations from keeping U.S. goods and services out of their markets through tariffs and non-tariff barriers.

Engaging in global trade helps American workers and consumers and overall economic progress. Since 1994, approximately one fifth of U.S. economic growth has been linked to the dynamic export sector. If we choose instead to build trade barriers and ignore the potential of consumers in other nations, we will only reverse our incredible economic expansion and the subsequent higher standard of living.

I have heard many allegations that, as a member of the World Trade Organization, we

undermine our ability to determine our own domestic policy and compromise our national security. But when we look closely at the WTO structure and how it operates, we realize this is not true.

First, the trade rules by which member nations agree to follow are reached by consensus by all members, allowing the U.S. to vote against any rules it finds unacceptable. Further, neither the WTO nor its dispute panels can compel the U.S. to change its laws or regulations. Under the WTO charter, members can enact trade restrictions for reasons of national security, public health and safety, conservation of natural resources and to ban imports made with forced or prison labor.

Isolationist policies will only destroy jobs and stifle innovation, while at the same time discourage environmental responsibility. I encourage my colleagues to vote against this resolution and for engagement with the world trade community.

Mr. DINGELL. Mr. Speaker, I rise in opposition to H.J. Res. 90. This legislation withdraws congressional approval for the agreement establishing the World Trade Organization (WTO). Its adoption would mean that for the first time in 50 years, the U.S., the world's largest economy, would not be a member of the world trading system.

I will be the first to admit that the WTO is far from perfect. Despite our efforts, it remains a closed, non-transparent decision-making body in which anti-U.S. biases are strong and due process is weak. Whether it's the dispute with the European Union (EU) over the Foreign Sales Corporation (FSC), market access for bananas and hormone treated beef, Airbus subsidies, or EU restrictions on U.S. biotechnology products, the WTO has either rejected or failed to enforce U.S. rights. Nevertheless, turning our backs on the rest of the world, as H.J. Res. 90 would have us to, is a wholly unacceptable solution to the WTO's problems.

If we want to trade with the world, we must remain a part of the world trading system. And, as a member of the world trading system, we must show the rest of the world that, truly, this system can only serve the interests of all when it transcends the biases and prejudices that now infest it, and it starts rendering honest judgments based solidly on the actual language of agreements reached. Fair, impartial and open decisionmaking must become the WTO's standard, if it is to promote economic efficiency and world prosperity.

The WTO is far from meeting that standard today. Until real progress is made, we should expect that sentiments for the resolution we are considering today will become more, not less, prevalent. Let me describe some of the major problems facing the WTO.

Our major trading partners, including Japan, Korea, and the EU, have turned the WTO dispute settlement process into a de facto appeals court that reviews U.S. trade agency determinations and strikes down our trade laws. Japan and Korea have gone so far as to say they will launch WTO appeals of every U.S. trade determination that is adverse to their interests. Already, WTO decisions are gutting the effectiveness of U.S. trade remedies in ways that the Administration and Congress expressly rejected during the negotiations on the agreement establishing the WTO.

In the UK Bar case, the WTO tribunal actually usurped the role assigned to the U.S. Commerce Department by refusing to accept the agency's reasonable interpretations of WTO agreements. The WTO Antidumping Agreement contains a special standard of review which recognizes that national authorities (e.g., the U.S. Commerce Department) should have the primary role in interpreting the complicated and technical WTO rules. A 1994 WTO Ministerial Declaration provides that subsidies cases (like UK Bar) should also be subject to this deferential standard of review. Despite this fact, the WTO tribunals disregarded the WTO Members' intent and said the standard of review was ''non-binding''.

The simple fact is that the WTO dispute settlement process is structurally biased against the U.S. Panels are staffed by the WTO Secretariat that over the years has demonstrated a bias against U.S. fair trade laws. WTO documents, including the WTO Annual Report, reveal a hostility to anti-dumping laws. In addition, the actual members of the panels are selected from a cadre of foreign diplomats, economists, and academics, many of whom have no judicial training and have very negative opinions of U.S. trade laws.

The U.S. must take steps to increase its participation in the WTO dispute settlement process. Without even changing WTO rules, the U.S. could ''deputize'' counsel for domestic industries so they can hear the presentations to the panelists. We should also increase federal support by assigning Commerce Department personnel to our country's WTO mission in Geneva. The WTO process must also become more transparent by permitting panels to consider written submissions from interested private parties and by giving private counsels, under appropriate protective order, access to all materials in cases considered by panels.

Mr. Speaker, the WTO dispute settlement process needs thorough reform. It is to these reforms that we must now direct our efforts and not to the abandonment of the world trading system. I urge my colleagues to vote ''No'' on H.J. Res. 90.

Mr. BUYER. Mr. Speaker, I rise today in opposition to this resolution withdrawing approval of the United States in the World Trade Organization. Although I have some concerns, the United States must be actively engaged in global trade and we need to be forceful, perhaps more forceful than we have been, in advocating a rules-based, transparent trading system.

My main concerns stem from the potential for manipulation of the WTO by some of our trading partners to challenge our domestic laws to address unfair trading practices. These are legitimate tools to ensure fairness to American industries and American workers.

We need a viable dispute resolution process that permits a full, open airing of grievances. In a rules-based trading system, the rules need to be transparent—everybody needs to know what the rules are. It also must address any non-tariff barriers that are erected to inhibit free and fair trade.

The United States must be vigilant to seek openness, access, and transparency in international trade. We must also be able to preserve our ability to ensure fairness when American producers and workers are placed at risk from unfair trading practices.

The SPEAKER pro tempore (Mr. BARRETT of Nebraska). All time for debate has expired.

Pursuant to House Resolution 528, the joint resolution is considered read for amendment and the previous question is ordered.

The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the joint resolution.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. PAUL. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this question will be postponed.

NOTICE

Incomplete record of House proceedings. Except for concluding business which follows, today's House proceedings will be continued in the next issue of the Record.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Ms. CARSON (at the request of Mr. GEPHARDT) for June 20 after 5:30 p.m. on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. FILNER) to revise and extend their remarks and include extraneous material:)

Mr. ALLEN, for 5 minutes, today.

Mr. DAVIS of Illinois, for 5 minutes, today.

Mr. RUSH, for 5 minutes, today.

Ms. STABENOW, for 5 minutes, today.

Ms. MCKINNEY, for 5 minutes, today.