

GENERALIZED SYSTEM OF
PREFERENCES

HON. ROBERT W. NEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 26, 1995

Mr. NEY. Mr. Speaker, as the House debates budget reconciliation I would like to give my support to the provisions in the bill renewing generalized system of preferences [GSP] duty-free import program. This program was designed as a way to help less-developed nations export into the U.S. market. The GSP program allows duty-free imports of certain products into the U.S. from over 100 GSP-eligible countries. The bill wisely provides that import-sensitive products are not to be subject to GSP treatment. Ceramic tile is a clear example of an "import sensitive" product and is exactly the type of product which should be subject to lower tariffs under the GSP program.

Imports have dominated the U.S. ceramic tile market for the last decade and they currently capture nearly 60 percent of the market. This extraordinary level of import penetration is a result, in part, of over 30 years of documented unfair predatory foreign trade practices including dumping, subsidies, customs fraud, import diversion, and abuse of a loophole in the GSP. The American ceramic tile industry, though relatively small, is efficient and competitive at normal tariff levels.

From its inception in the Trade Act of 1974, the GSP program has provided for the exemption of "articles which the President determines to be import-sensitive." In light of the history of unfair trade in ceramic tile and the significant and growing import participation in the U.S. ceramic tile market, the U.S. industry has been recognized by successive Congresses and administrations as "import-sensitive," dating back to the Dillon and Kennedy Rounds of the General Agreement on Tariffs and Trade [GATT]. During this period the American ceramic tile industry also has been forced to defend itself from over a dozen petitions filed by various designated GSP-eligible countries seeking duty-free treatment for ceramic tile into this market. If just one petitioning nation succeeds in gaining GSP benefits for ceramic tile, then by law, every GSP beneficiary country is also entitled to GSP duty-free benefits for ceramic tile. If any of these petitions were granted, it would eliminate American tile jobs and could destroy the industry.

A major guiding principle of the GSP program has been reciprocal market access. Current GSP-eligible beneficiary countries supply almost one-third of the U.S. ceramic tile imports and they are increasing their sales and market shares. U.S. ceramic tile manufacturers, however, are still denied access to many of these foreign markets. Many developing countries maintain exclusionary tariff and non-tariff mechanisms which serve to block the entry of U.S. ceramic tile exports into these markets. Industrial countries, including the European Union [EU], may use less transparent methods such as discriminatory product standards and testing methods to control their ceramic tile imports and, in some cases, to divert ceramic tile manufactured in third countries over to the U.S. market by imposing restrictions on those third country exports to the EU.

I am in support of the reauthorization of the GSP program and trust that import-sensitive

products such as tile will not be subject to GSP.

SOCIAL SECURITY EARNINGS
RESOLUTION WAS A SHAM

HON. DAVID E. SKAGGS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 26, 1995

Mr. SKAGGS. Mr. Speaker, today, I cast a lonely vote. I was one of only five members of the House of Representatives to vote against a resolution that expresses the sense of Congress that legislation should be passed before the end of 1995 to raise the Social Security earnings limit.

My vote against this resolution was not a signal of my position on the Social Security earnings limit—because that's not what this amendment was about. I voted against it to protest a cheap political stunt. It's the kind of stunt that makes people cynical about Members of Congress and the promises they make.

The resolution passed today won't do anything to affect the Social Security earnings limit—the amount of money that seniors can earn before their Social Security benefits are reduced. It merely said that Congress thinks that such legislation should be passed this year.

It's no coincidence that the Republicans brought this resolution before the House just moments before we were about to debate their comprehensive budget bill—a bill that failed to make good on their promise in the Contract With America to increase the earnings limit. What a political ploy. Rather than actually proposing to raise the earnings limit in their budget—in the one bill in which such a measure would be included—the Republicans came up with an empty promise in the form of a non-binding resolution. This was a cynical, "CYA" proposition.

Games like this have got to end if we're serious about restoring Congress' credibility with the American people. If Congress wants to pass an increase in the Social Security earnings limit, Congress can do it straight away, with real legislation. But to do that, we'd have to find the approximately \$12 billion that it would cost to do it.

On just this point, an Associated Press story after the vote says that Republican DENNIS HASTERT, the sponsor of today's resolution, is still "looking for spending cuts to offset the \$12 billion cost but had not yet settled on a proposal." Isn't it quaint? It's hard to imagine a more transparent admission of political chicanery.

It's easy to promise to spend money without making the hard choices about how to pay the bills. It's just this kind of attitude that has created the mountains of Federal debt, and public mistrust, that we're supposed to be addressing today.

I look forward to the day when I'm not in such lonely company on votes like this.

TRIBUTE TO THE CENTER OF
MEXICAN-AMERICAN AFFAIRS AT
WHITTIER COLLEGE

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 26, 1995

Mr. TORRES. Mr. Speaker, I rise today to pay tribute to the Center of Mexican-American Affairs at Whittier College.

With the leadership of its director, Mr. Martin Ortiz, the center has assisted many Latino students achieve academic excellence. Since 1970, the center has made its resources available to current students, as well as high school and junior college transfers, interested in attending Whittier College. Once on campus, students are encouraged to become members of the Hispanic Students Association [HSA]. Since many of these individuals are first generation college students, the HSA is a valuable support group for new students adjusting to the demands of achieving a Whittier College education.

The center, working with its adjunct groups, including the HSA, Hispanic Parents Advisory Council, "Alianza de Los Amigos," the Hispanic Alumni Organization, and the Business Advisory Council, is celebrating its 25th annual *tardeada* this year. This event brings together students, parents, and family members to spend a festive afternoon with the college's faculty members, administrators, staff, board of trustees, as well as elected officials and other guests. This annual event is always eagerly anticipated by everyone involved.

Because of the efforts of Mr. Martin Ortiz, his assistant Ms. Rose Hernandez, and the administrative staff, the Center of Mexican-American Affairs has continued to provide the resources necessary to assist Latino students. Their tireless efforts help these students succeed in college and become productive members of our community.

Mr. Speaker, I urge my colleagues to join me in paying special tribute to the Center of Mexican-American Affairs at Whittier College and its director, Mr. Martin Ortiz. The efforts deserve special recognition for ensuring educational opportunity for deserving students from the Latino community.

FARM FAILURE ACT OF 1995

HON. DAVID MINGE

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 26, 1995

Mr. MINGE. Mr. Speaker, a few weeks ago, a farmer I met summed up the Freedom to Farm Act in a memorable and accurate manner: The only time a farmer is truly free is when he is broke.

Many farmers fear that this bill will drive them out of farming. The Freedom to Farm Act will mean that when violent price swings and volatile markets occur, farmers will lack both a safety net and the tools needed to try to manage risk.

House Agriculture Committee Chairman Pat Roberts is the author of the Freedom to Farm Act. It would reduce agricultural commodity program spending by \$13.4 billion over 7 years. Republican congressional leaders want

to save this amount from farm programs as a part of their overall tax reduction plan.

Four Republicans joined with the Democratic members of the House Agriculture Committee to defeat the Freedom to Farm Act. Congressional leaders then decided to bypass the Agriculture Committee and fold the Freedom to Farm Act provisions into the overall budget plan the House will consider.

It is tragic that the House Agriculture Committee chairman failed to create a process that would allow for the development of innovative farm policy. Instead of a thoughtful discussion of how farm policy should be revamped, we were asked to vote on a 100-page proposal that we had received only a few days before.

No hearings were held on the Freedom to Farm Act. It is inconceivable that there would be no chance for public comment on the most sweeping change in U.S. farm policy in 60 years. After spending 10 months holding more than 30 town meetings on the farm bill, I did not have a chance to share with other committee members the comments I received at the meetings.

I do support some aspects of the Freedom to Farm Act. This proposal dramatically simplifies farm programs, provides almost complete flexibility in planting, more effectively limits payments to huge farm operations, and provides fair treatment of all major program crops.

However, the faults in the act outweigh its merits. Without a chance to eliminate these tragic flaws it was impossible for me to vote for the proposal.

One flaw is that the act provides no safety net for farmers to control risk. The proposal requires automatic payments to farm operators regardless of crop prices. The real beneficiaries of this policy are landowners, not farmers. Automatic payments will quickly become an important factor in rental rates and land values. This automatic payment approach will discredit farm programs in the eyes of the American people. It is not designed to meet crises faced by family farmers. The devastating impact of plummeting crop or livestock prices has been the underlying justification for farm programs. How can we justify guaranteed payments for landowners if crop and livestock prices are high and the Federal Government has a deficit?

Another problem with the Freedom to Farm Act is that it spends money unnecessarily. The U.S. Department of Agriculture and most others who have studied markets project strong, increasing demand for U.S. commodities. That demand will drive up prices for the next several years. Secretary of Agriculture Dan Glickman, in fact, estimates that if the current farm program were simply extended it would cost \$10 billion less than the automatic payments in the freedom to farm proposal. There is no justification or need for automatic payments in such times.

Still, the prospect of good times cannot lead us to strip budget authority for farm programs. We must maintain our readiness for farm programs when they are needed. We cannot unilaterally disarm.

Developing and implementing improved and innovative insurance-based programs is the direction we should take. We can budget for insurance programs and marketing loans. A trust account can be established and funded. Unfortunately, the Republican leadership has no vision and proposes to reduce the budget

authority for Agricultural programs by 60 percent over 7 years.

We need this budget authority to create an innovative farm policy. Once lost, this is budget authority we will not be able to reclaim. The Freedom to Farm Act really is the demise of farm programs.

TENTH ANNUAL ANTI-DRUG NATIONAL RED RIBBON WEEK

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 26, 1995

Mr. GILMAN. Mr. Speaker, I call my colleagues attention to important and timely efforts to help bring greater awareness to drug abuse in our Nation, through the excellent work of Red Ribbon Awareness campaigns across America.

I am particularly proud of the work the Alcoholism and Drug Abuse Council of Orange County, NY, is doing in this vital drug awareness program.

The important and critical efforts surrounding Red Ribbon Activity Week in many communities such as in the Mid-Hudson region, are intended to curb the use of drugs before it's too late, and future generations of Americans are adversely impacted by this deadly and costly scourge. These awareness efforts are extremely important, and worthy of our full support.

All across America, communities are tackling this drug abuse problem, and trying to raise awareness of the impact of drug abuse on our citizens, and especially the young.

The rise once again of increased drug use, especially among the young in grade schools and high schools makes these local community awareness efforts, more important than ever, and deserving of our Nation's highest attention and support.

A University of Michigan drug use survey early last year, indicated that drug use among the young was making a clear comeback and was once again on the rise. The rise in drug use among our young was especially sharp as to marijuana use, and sadly also included increase use of stimulants, LSD, and inhalants as well.

The Michigan study went on to find that important attitudes and beliefs about drugs began to soften for the second year in a row among grade school children. The study indicates that once these attitudes and beliefs as to the dangers associated with drugs and personal disapproval change, a critical deterrent has been lost.

It is evident from these survey results and experience that each new generation must learn the hard lessons surrounding drug use and abuse. It is best that this learning take place before it's too late, and lost lives follow, and future generations are adversely impacted by this destructive behavior.

The costs from this destructive behavior on our society, are enormous. Vice President GORE recently put the annual cost from illicit drugs on American society at \$67 billion. I tend to believe its much higher than that figure. However, whatever figure you might use, we all know the damage from drug use are enormous in the crime, incarceration, lost worker productivity, health care, and other costs associated with drug abuse.

Earlier this year the Congress had former first lady Nancy Reagan, who was famous for her very effective "Just say No" campaign on drug use, testify on this subject. She appeared before the House Committee on Government Reform and Oversight on which I am proud to sit. She said in very moving and important testimony " * * * I'm worried that this nation is forgetting how endangered our children are by drugs."

As the earlier study I cited on rising teen drug use makes clear, the former First Lady was right on the money, and she voiced the concerns that many of us have today on the problem of drug use among the young.

In moving and powerful testimony Mrs. Reagan went on to say:

With my own eyes, I've seen the human destruction drugs can cause. During my eight years as First Lady, I travelled hundreds of miles around this country and the world meeting with young people, listening to the heartbreaking stories of what drugs did to their lives. That suffering is something I can never forget.

Let us all never forget the suffering which Mrs. Reagan so eloquently recounted, and together with Red Ribbon Campaigns for A Drug-Free America all across this Nation, work together to help ensure further suffering is not needlessly repeated across our land.

This year, seven counties in the Mid-Hudson region of New York came together to commemorate Red Ribbon Week, October 21-31, with the theme of "Be Healthy and Drug Free!" The Red Ribbon activities were kicked off by the annual Run/Walk Against Drugs in Newburgh, NY, on Saturday morning, October 21. This event was followed by a red ribbon caravan across the Hudson, in which citizens from throughout Southeastern New York drove across the Newburgh-Beacon Bridge in automobiles marked with large red bows on the antennas, to join in a drug-free riverfront festival in Beacon. Participants from Orange, Rockland, Sullivan, Westchester, Dutchess, Putnam, and Ulster Counties came together to make these events on Saturday, October 21, truly memorable.

Two of my constituents, Joan Fawley, a senior at Goshen High School, and Alma Buffoe, a seventh grader at Greenwood Lake Middle School, delivered remarks which inspired all of those in attendance.

Between now and the conclusion of Red Ribbon Week of October 31—a week so big it needs 10 days—many other activities are planned by our Alcoholism and Drug Abuse Council in Orange County, including pledge and sign up day, rally day, rap about day, a sports weekend, and, finally, just say boo to drugs day on Halloween.

Mr. Speaker, the enthusiasm of all the participants in Red Ribbon Week remind us all that substance abuse remains America's No. 1 enemy. I am pleased that our colleagues (Mr. ZELIFF and Mr. RANGEL) are organizing a bipartisan drug policy group, and I urge all of our colleagues to join with us in this most worthwhile endeavor.

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