

HOPE FOR AFRICA BILL

Mr. FEINGOLD. Mr. President, on September 24 I introduced a new Africa trade bill—S. 1636, the HOPE for Africa Act—a bill that will invigorate commercial relationships between the United States and African trading partners, with healthy results for both.

It expands trade between Africa and the United States, offers United States companies new opportunities to invest in African economies, and promises new HOPE for the people of Sub-Saharan Africa themselves, who are struggling against daunting odds to gain a foothold in the global marketplace and embrace the growth and stability it will bring.

It's important to say here that everyone proposing Africa trade legislation has the same goal—we all want to help expand trade and development with Africa in a way that is also good for American companies and workers—but it's equally important to point out how we differ in approach, and what those differences will mean for African economies.

For years Africa has gotten short shrift in the attention of the American public and of American policymakers, and I am very encouraged that there has been renewed interest in expanding opportunities for United States business in Africa.

But Congress shouldn't make up for those years of neglect by passing weak legislation that will have little impact on United States-Africa trade.

As a member of the Senate Subcommittee on Africa for more than 6 years, and its ranking Democrat for more than four, I know that now is the time for foresight and bold action, because Africa today is brimming with both tribulations and potential.

I offer this bill today because unfortunately, other proposals fall short of their goals by providing only minimal benefits for Africa and for Africans.

First and foremost, they fail to address two crises that are hobbling Africa's ability to compete—the overwhelming debt burden, and the deadly HIV/AIDS epidemic, both of which are so corrosive to African aspirations.

My legislation, which is similar in many respects to the HOPE for Africa bill introduced recently by Representative JESSE JACKSON, Jr., in the House of Representatives, takes a more comprehensive approach to our current trade relationship with Africa—the only kind of approach that can generate the kind of dramatic progress Africa needs to become a more viable partner in the global economy.

My HOPE for Africa legislation offers broader trading benefits than the other pending proposals, and just as importantly, it takes steps to address the debt burden and AIDS crisis that handicap African economies.

My bill extends trade benefits to selected African countries on a broader variety of products—and does not rely narrowly on textiles, as other proposals do. Broader benefits give African

businesses and workers a better chance to establish sustainable trade-generated economic development.

My bill includes strong protections against the backdoor tactic of illegal transshipment of goods from China and other third countries through Africa to the United States, that would cheat workers and companies here and in Africa of hard-earned opportunities.

Provisions of my bill will help deter the influx to the African continent of lower-wage workers from outside Africa, ensuring that Africans themselves will be the ones to benefit from the provisions of this bill.

Another centerpiece of this bill is that it requires strict compliance with internationally-recognized standards of worker and human rights and environmental protections. The rights of Africa's peoples and the state of its environment may seem removed from life here in the United States. But if we are wise we will all remember that we are all affected when logging and mining deplete African rainforests and increase global warming, and we all reap the benefits of an Africa where freedom and human dignity reign on the continent, creating a stable environment in which business can thrive. American ideals and simple good sense require that we be vigilant in this regard.

The bill takes crucial steps to support the fight against the crushing HIV/AIDS epidemic, which has had a devastating impact in Sub-Saharan Africa. Of the 33.4 million adults and children living with HIV/AIDS worldwide in 1998, a staggering 22.5 million live in the 48 countries of sub-Saharan Africa. Since the onset of the worldwide HIV/AIDS crisis, more than 34 million sub-Saharan Africans have been infected, and more than 11.5 million of those infected have died. Since the onset of the HIV/AIDS crisis, approximately 83 percent of AIDS deaths have occurred in Africa. The vast tragedy of HIV/AIDS in Africa is daunting, overwhelming, but it must be overwhelmed with a massive effort that will have to be integrated with any Africa trade regime that hopes to succeed.

Finally, the bill provides for substantial debt relief for Sub-Saharan African nations. Debt, debt, debt is the finger on the scales that keeps that rich continent from achieving its economic potential and embracing a freer, more prosperous future. In 1997, sub-Saharan African debt totaled more than \$215 billion, about \$6.5 billion of which is owed to the United States government. The debt of at least 30 of the 48 Sub-Saharan African countries exceeds 50 percent of their gross national products. The international community must find a reasonable way substantially to reduce this debt burden so that the countries of sub-Saharan Africa can invest scarce dollars in the futures of the most precious of their natural resources—their people.

My HOPE for Africa bill can establish a framework to achieve these goals by relieving Sub-Saharan African na-

tions of a significant piece of their current debt, supporting environmental protections and human rights in these developing economies, and giving African businesses—including small and women-owned businesses—a chance to share in the burgeoning global economy.

I was pleased to announce my intention to offer this legislation at a press conference recently in Milwaukee along with several representatives of the state legislature and the local business community.

Mr. President, the current level of trade and investment between the United States and African countries is depressingly small.

It is called the magic 1 percent. Africa represents only 1 percent of our exports, one percent of our imports, and 1 percent of our foreign direct investment.

That is a tragic 1 percent, the fruit of missed opportunities, wasted potential and simple neglect.

The history of U.S. trade on the African continent is a litany of lost opportunity with a smattering of bright spots concentrated among a few countries.

United States trade in Africa is not diversified. In 1998, 78 percent of U.S. exports to the region went to only five countries—South Africa, Nigeria, Angola, Ghana, and Kenya, and the vast majority of imports that year came only from Nigeria, South Africa, Angola, Gabon, and Côte d'Ivoire.

In 1998, major U.S. exports to the region included machinery and transport equipment, such as aircraft and parts, civil engineering equipment, data processing machines, as well as wheat.

Major United States imports from Africa include largely basic commodities such as crude oil which is the leading import by far, and some refined oils, minerals and materials, including platinum and diamonds, and some agricultural commodities such as cocoa beans.

U.S. exports were much more diversified than U.S. imports.

The top 5 import items represent 75 percent of all U.S. imports from the region.

That dire lack of diversity is discouraging, but the holes in the United States-Africa trade picture tell also of a wealth of opportunity.

The investment picture is no better.

United States foreign direct investment in Africa, including northern Africa, at the end of 1997 was \$10.3 billion, or 1 percent of all United States foreign direct investment.

Over half of the United States direct investment in Africa was in the petroleum sector. South Africa received the largest share of United States foreign direct investment in sub-Saharan Africa, and manufacturing accounted for the largest share of that investment.

Nigeria received the second largest share of United States foreign direct investment in Sub-Saharan Africa, and petroleum accounted for almost all of that investment.

What is missing here is the coherent development that can make the countries of Africa into a growing dynamic economic power with a healthy appetite for American products.

I hope my bill will help spark that development and drive up all of these meager trade statistics.

First, it offers trade benefits on a wider variety of products than is covered under competing proposals.

These provisions are designed to help African economies diversify their export base.

That's good for Africa, and good for us.

Second, as I have noted, my bill addresses the two biggest barriers to economic development in Africa—HIV/AIDS and debt.

In addition, it helps infuse into African economies a powerful engine of economic growth—small business.

The bill gives special attention to small- and women-owned businesses in Africa and it ensures that existing United States trade promotion mechanisms are made available to American small businesses seeking to do business in Africa.

That kind of attention to the economic fundamentals also is good for Africa and good for us.

My bill authorizes the Overseas Private Investment Corporation, OPIC, to initiate one or more equity funds in support of infrastructure projects in sub-Saharan Africa, including basic health services, including HIV/AIDS prevention and treatment, hospitals, potable water, sanitation, schools, electrification of rural areas, and publicly-accessible transportation.

It specifically requires that not less than 70 percent of equity funds be allocated to projects involving small- and women-owned businesses with substantial African ownership, thus ensuring that Africa truly gains from the provision.

It also specifies that a majority of funds be allocated to American small business.

Good for Africa and good for America.

This measure also ensures that the benefits of economic growth and development in Africa will be broad enough to allow African workers and African firms to buy American goods and services.

My bill explicitly requires compliance with internationally recognized standards of worker and human rights and environmental protections in order for countries to receive the additional trade benefits of the legislation.

The requirements are enforceable and allow for legal action to be taken by United States citizens when an African country fails to comply.

The bill also includes strong protections against the illegal transhipments of goods from their countries through Africa, and authorizes the provision of technical assistance to customs services in Africa.

Transshipment is frankly a sneaky practice employed by producers in China and other third party countries, especially in Asia.

Here's how it works: they establish sham production in countries which may export to the United States under more favorable conditions than those producers enjoy in their own countries.

Then they ship goods made in their factories at home and meant for the United States market to the third country, in this case an African country, pack it or assemble it in some minor way, and send it on to the United States marked "Made in Africa," with all the benefits that label would bring.

If that happens in Africa, it will undermine our objectives—it will be bad for Africa, bad for the United States, and simply unjust.

These provisions are intended to ensure that the trade benefits in Africa accrue to African workers rather than non-African producers.

There is more talk of Africa in the Halls of Congress than we have heard in a long time.

I welcome that because we have hope for this kind of attention on the Senate Subcommittee on Africa for the seven years I have served on that committee.

The prospect of expanding trade with Africa has inspired many members to educate themselves about the changes taking place on the continent.

Now they have to accept the opportunity and the challenge those changes present.

Now they have to fix our trading relationship with Africa.

In our zeal to expand our trading relationship with selected countries, we must be mindful to do it in a manner that is sustainable.

I fear that some of the other alternatives that are out there are insufficient to meet and sustain the goals that we all share.

A better trade relationship for Africa has to be for the long term because its richest rewards will come in the long term.

Lasting, equitable, and effective expansion of commercial ties to the economies and peoples of Africa will require bold steps.

This legislation represents the first of those steps. I urge my colleagues to take up the tools we have to help the Nations of Africa build a more prosperous and just place on their continent. It is the right thing to do and the smart thing to do for America. Please join me in supporting the HOPE for Africa bill.

CHANGES TO THE BUDGETARY AGGREGATES AND APPROPRIATIONS COMMITTEE ALLOCATION

Mr. DOMENICI. Mr. President, section 314 of the Congressional Budget Act, as amended, requires the Chairman of the Senate Budget Committee to adjust the appropriate budgetary aggregates and the allocation for the Appropriations Committee to reflect amounts provided for emergency requirements.

I hereby submit revisions to the 2000 Senate Appropriations Committee allocations, pursuant to section 302 of the Congressional Budget Act, in the following amounts:

	Budget authority	Outlays	Deficit
Current Allocation:			
General purpose discretionary	534,542,000,000	544,481,000,000	
Violent crime reduction fund	4,500,000,000	5,554,000,000	
Highways		24,574,000,000	
Mass transit		4,117,000,000	
Mandatory	321,502,000,000	304,297,000,000	
Total	860,544,000,000	883,023,000,000	
Adjustments:			
General purpose discretionary	+8,699,000,000	+8,282,000,000	
Violent crime reduction fund			
Highways			
Mass transit			
Mandatory			
Total	+8,699,000,000	+8,282,000,000	
Revised Allocation:			
General purpose discretionary	543,241,000,000	552,763,000,000	
Violent crime reduction fund	4,500,000,000	5,554,000,000	
Highways		24,574,000,000	
Mass transit		4,117,000,000	
Mandatory	321,502,000,000	304,297,000,000	
Total	869,243,000,000	891,305,000,000	
I hereby submit revisions to the 2000 budget aggregates, pursuant to section 311 of the Congressional Budget Act, in the following amounts:			
Current Allocation: Budget Resolution	1,429,491,000,000	1,415,863,000,000	-7,781,000,000
Adjustments: Emergencies	+8,699,000,000	+8,282,000,000	-8,282,000,000