medical authorities and accumulated annual leave. Subsequent to his indictment, he was suspended without pay and denied further use of leave. He entered a conditional guilty plea in March 1996 and was sentenced in June 1996.

During this time period I was involved in a variety of administrative matters in which SA Hollingsworth contested actions proposed by his supervisor. I, as Director, DCIS, at the time was his second level supervisor and acted as deciding official in each of these matters. These administrative actions were separate and distinct from the investigation by the DoS and prosecution by the Department of Justice.

My next involvement with this matter began when SA Hollingsworth appealed a Notice of Proposed Removal issued by his supervisor. On August 23, 1996, his attorney requested an extension until September 13, 1996, to file a written response and notified us of his intent to make a subsequent oral presentation. As deciding official, I granted this request consistent with past DCIS practice and, to preclude further delay, I simultaneously scheduled the oral presentation for September 23, 1996. However, four days prior to his scheduled oral presentation, SA Hollingsworth retired.

SA Hollingsworth was provided the same due process afforded to all other DCIS special agents in the form of a review by the Special Agents Administrative Review Board and reasonable time to prepare a written and oral response to a Notice of Proposed Removal. Variation from past practice would have been unwarranted and inconsistent with my experience as a deciding official in dozens of disciplinary proceedings.

SA Hollingsworth's criminal conduct was both inexcusable and inexplicable. His violation of law was totally out of character and inconsistent with his job performance and lengthy career. I noted this same observation in a letter to the sentencing judge as I went on record describing SA Hollingsworth's job performance.

Throughout this process, the OIG was provided advice by personnel and legal experts. The course of action taken in this case was one of the several available options permitted by Federal personnel guidelines.

SA Gary Steakley: SA Steakley began his employment with DCIS in December 1987. From that time until he entered the Worker's Compensation program in February 1993 as a result of a traffic accident involving a Government vehicle, he worked in a variety of positions within DCIS. As Director, DCIS, I selected him for several positions and promoted him to his last job as manager of a DCIS investigative office in California.

Subsequent to his vehicle accident, SA Steakley was the subject of several adverse personnel and disciplinary actions. With the exception of ensuring that internal reviews proceeded in due course, my actions with respect to SA Steakley were taken as the deciding official in these cases. In addition, as Director, I proposed to involuntarily transfer him in order to ''backfill'' his management billet after his accident. In this case, the then Deputy Inspector General acted as deciding official.

SA Steakley was treated fairly by DCIS, although he has repeatedly alleged that he was subjected to prohibited personnel practices. His allegations have been reviewed in various venues, including the Office of Special Counsel who, in December 1998, closed their file and declined to pursue the case further.

SA Matthew Walinski: SA Walinski held a variety of positions in DCIS from his initial hiring in August 1987, until his transfer to the Office of Inspector General, Department of the Treasury, earlier this year. Your staff has questioned the accuracy of several reports of interview prepared by SA Walinski to include a report dealing with SA Steakley. It is my understanding that your staff perceives that allegations concerning SA Walinski were not pursued with the same tenacity shown in the SA Steakley investigations.

I was not aware of many of the facts alleged in this matter until reviewing documents in response to the inquiry of your Subcommittee. I did, however, have a general concern at the time regarding the handling of internal investigations. As a result, I directed that the internal review process be restructured so as to ensure that all future interviews be taped and transcribed to preclude any further dispute as to reporting. I was also appraised by my deputy that SA Walinski was being transferred from his duties to a position in the DCIS Training Branch. It is my understanding that SA Walinski received a downgraded appraisal as a result of his poor performance as well as a written letter cautioning him as to the importance of accuracy in his reporting.

In closing, I hope that my insights have provided you the information you need to accurately assess these cases. I appreciate your assurance that this letter will be included in any report that may be issued on this topic and look forward to an opportunity to review your draft report.

Sincerely,

DONALD MANCUSO,
Acting Inspector General.

Mr. GRASSLEY. Mr. President, I think it is imperative that Congress continue to send the strongest possible signal only that the highest standards and integrity are acceptable among our law enforcement and watchdog communities, the more we will ensure that outcome. I yield the floor.

RECESS

The PRESIDING OFFICER. Under the previous order, the hour of 12:30 p.m. having arrived, the Senate will now stand in recess until 2:15 p.m. today.

Thereupon, at 12:30 p.m., the Senate recessed until 2:15 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. GRAMS).

AFRICAN GROWTH AND OPPORTUNITY ACT—Continued

The PRESIDING OFFICER. The Senator from South Carolina.

AMENDMENT NO. 2379

(Purpose: To require the negotiation, and submission to Congress, of side agreements concerning labor before benefits are received)

Mr. HOLLINGS. I call up my amendment No. 2379 and ask the clerk to report it.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from South Carolina [Mr. HOLLINGS] proposes an amendment numbered 2379:

At the appropriate place, insert the following:

SEC. . LABOR AGREEMENT REQUIRED.

The benefits provided by the amendments made by this Act shall not become available to any country until—

(1) the President has negotiated with that country a side agreement concerning labor standards, similar to the North American Agreement on Labor Cooperation (as defined in section 532(b)(2) of the Trade Agreements Act of 1979 (19 U.S.C. 3471(b)(2)); and

(2) submitted that agreement to the Congress.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, the amendment has been read in its entirety. It is very brief and much to the point. It is similar to the North American agreement on labor. When we debated NAFTA at length, there was a great deal more participation and attention given. In these closing days, everyone is anxious to get out of town. Most of the attention has been given, of course, to the appropriations bills and the budget, and avoiding, as they say, spending Social Security after they have already spent at least $17 billion, according to the Congressional Budget Office.

I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is not a sufficient second.

Mr. HOLLINGS. Mr. President, I had a very interesting experience with respect to labor conditions in Mexico prior to the NAFTA agreement. I wanted to see with my own eyes exactly what was going on. I visited Tijuana, which is right across the line from southern California.

I was being led around a valley. There were some 200,000 people living in the valley, with beautiful plants, mowed lawns, flags outside. But the 200,000 living in the valley were living in veritable hovels; the living conditions were miserable.

I was in the middle of the tour when the mayor came up to me and asked if I would meet with 12 of the residents of that valley. I told him I would be glad to. He was very courteous and generous.

I met with that group. In a few sentences, summing up what occurred, the Christmas before—actually around New Year's—they had a heavy rain in southern California and in the Tijuana area. With that rain, the hardened and crusted soil became mushy and muddy and boggy, and the little hovels made with garage doors and other such items started slipping and sliding. In those streets, there are no light poles and there are no water lines. There is nothing, just bare existence.

They were all trying to hold on to their houses and put them back in order. These particular workers missed a day of work. Under the work rules in Mexico, if you miss a day of work, you are docked 3 days. So they lost 4 days' pay.

Around February, one of the workers was making plastic coat hangers—the industry had moved from San Angelo to Tijuana. They had no eye protection whatsoever. The machines were stamping out the plastic, and a flick of plastic went into the worker's eye. The

workers asked for protection and could not get any. That really teed them off.

It came to a crisis on May 1 when the favorite supervisor, a young woman who was expecting at the time, went to the front office. She said she was sick and would have to take off the rest of the day. They said: No, you are not taking off the rest of the day; you are working. Later that afternoon, she miscarried, and that exploded the movement of these 12 workers. They said: We are not going to stand for this anymore. We are going to get some consideration of working conditions and pay.

The workers chipped in money and sent two of the folks up to Los Angeles to employ a lawyer. They discovered that when the plant moved from San Angelo to Mexico, they filled out papers showing how the plant was organized and that they had a union and swapped money each month, but no shop steward or union representatives ever met with them. They never knew anything about a union.

Under the work rules of the country of Mexico, if one tries to organize a plant once one is already organized, then that person is subject to firing, and all 12 of them were fired. They lost their jobs, their livelihoods. That is what the mayor wanted me to know and understand. They were out of work.

My colleagues talk about the immigration problem. If I had any recommendation for the 12, I would say: Sneak across the border—don't worry about it—and find work in California or South Carolina or some other place because they could not get a job any longer in the country of Mexico.

That concerned me, and I have followed the work conditions. That is one of the reasons with NAFTA, while I opposed it, I wanted to be sure we had the side agreements. The side agreements were established. The work center is in Dallas. The Secretary of Labor meets with them. They are trying to work on this problem.

I have references to some of the working conditions in El Salvador.

On March 13, 1999, five workers from the Doall factory, where Liz Claiborne garments are sown, met with a team of graduate students from Columbia University who were in El Salvador conducting a study of wage rates in relation to basic survival needs.

A few days later, all five workers were fired. Doall's chief of personnel simply told them: You are fired because you and your friends cried before the gringos, and the Koreans don't want unionists at this factory.

So much for workers' rights in that Liz Claiborne plant.

There are 225 maquila assembly factories in El Salvador, 68,000 workers sending 581 million garments a year to the United States worth $1.2 billion. Yet there is not one single union with a contract in any of these maquila factories because it is against the law; it is not allowed.

This is Yolanda Vasquez de Bonilla:

I was fired from the Doall Factory No. 3 together with 17 others on August 5, 1998.

From the beginning, the unbearable working conditions in the factory impressed me a great deal, which included obligatory overtime hours every day of the week, including Saturdays and sometimes Sundays. On alternate days, we worked until 11 p.m., and some weeks we were obligated to work every day until 11 p.m. at night. We were mistreated, including being yelled at and having vulgar words used against us . . . humiliated for wanting to use the restrooms, and being denied permission to visit the Salvadoran Social Security Institute for medical consults.

The highest wage I received, working 7 days a week and more than 100 hours, was 1,200 colones (U.S. $137). Nevertheless, I accepted all this that I have briefly narrated since I have two children who are in school and I must support them.

They go on to tell similar stories time and again about different workers at that plant in El Salvador.

With the limited time I have, I will reference the United States firm in Guatemala City of Phillips-Van Heusen.

Van Heusen closed its Camisas Modernas plant in Guatemala City just before its 500 workers were to receive their legally mandated year-end bonuses and go on a three-week break.

That is typical of what they do if they get any kind of benefits at all. Just at the end of the year, when they are supposed to get their bonuses, they go down and close the plant.

Unionist and former Zacapa municipal worker Angel Pineda was ambushed and shot to death March 8 in the village of San Jorge, Zacapa. Pineda was a mayoral candidate nominated by the leftist New Guatemala Democratic Front. According to the Guatemalan Workers Central, Pineda had participated in a campaign to remove Zacapa Mayor Carlos Roberto Vargas on corruption charges. Another union leader and Vargas opponent was shot to death in January.

Then again in Guatemala:

A recent U.N. report said poverty encompasses 60 percent of the urban population and 80 percent of rural inhabitants. Figures from the Institute for Economic and Social Investigations of San Carlos University are even more devastating, reporting that 93 percent of the indigenous population lives in poverty and 81 percent cannot meet nutritional needs.

Mr. President, again:

Workers from more than a dozen different factories complain about everything from restricted bathroom visits and sore backs to illegal firings and abuse.

Sewing machines hum and rock music blares as 13-year-old Maria furiously folds clothes inside a Guatemalan factory called Sam Lucas S.A.

Maria is a 13-year-old. According to the Wall Street Journal, of course, that has nothing to do with any employee in the Caribbean Basin Initiative or Africa.

The Grade 2 dropout folds 50 shirts an hour, or 2,700 shirts a week that will end up in North American stores.

Sometimes Maria's boss extends her 10-hour day and asks her to stay until 10:30 p.m. or all night, assembling clothes for export in this tax-free plant called a maquila. . . .

Forced overtime, union busting, no social security benefits and unpaid work are typical grievances of factory staff, who are mostly young, female, Indian, and poor.

Mr. President, in Honduras:

A two-week strike at the Korean-owned Kimi de Honduras maquiladora ended September 2 after they dropped criminal charges against the union and accepted a new pay scale. The strike began August 18 when 500 workers, mostly women, demanded compliance with a March union contract. [This particular plant] produces apparel for U.S. retailer J.C. Penney and is part of the eight-plant Continental Park, a free-trade zone in La Lima. Unionized Kimi workers closed down Continental [in] August with blockades, but anti-riot police arrived August 30. In solidarity, most workers from other factories refused to enter the zone, but were subsequently beaten and gassed by the police. Kimi union officials promptly distributed leaflets to workers of other factories, urging them to return to work and prevent more violence. Some 100,000 workers are employed in the country's 200 maquilas, which export $1.6 billion in goods to the United States each year.

You have the Roca Suppliers Search maquiladora in El Salvador:

The Roca Suppliers Search maquiladora in the town of Mejicanos was abruptly closed November 19, leaving 240 workers laid off. The workers say production was moved to another factory after a group of 22 workers met with representatives of the progressive union federation. [They really work and make] U.S. brands including Calvin Klein and L.L. Bean. The factory's owner said the shop closed due to a lack of raw materials. Labor activists noted that the termination came just before legally mandated Christmas bonuses. The bonuses average about $40.

Then again, in El Salvador: They work from Monday through Friday, from 6:50 a.m. to 6:10 p.m., and on Saturday until 5:40 p.m., and occasional shifts to 9:40 p.m. It is common for the cutting and packing departments to work 20-hour shifts from 6:50 a.m. to 3 a.m.

Anyone unable or refusing to work the overtime hours will be suspended and fined, and upon repeat ''offenses,'' they will be fired.

There is no time clock. Records of an employee's overtime hours are written in a log by the supervisor. Workers report that it is not uncommon to be short changed two hours of overtime if the supervisor is angry with them.

There is a one 40-minute break in the day for lunch from noon to 12:40 p.m.

All new workers must undergo and pay for a pregnancy test. If they test positive, they are immediately fired. The test costs two days' wages.

I ask unanimous consent that this particular group of conditions in El Salvador be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

KATHIE LEE SWEATSHOP IN EL SALVADOR

CARIBBEAN APPAREL, S.A. DE C.V., AMERICAN FREE TRADE ZONE, SANTA ANA, EL SALVADOR

A Korean-owned maquila with 900 plus workers.

Death threats
Workers illegally fired and intimidated
Pregnancy tests
Forced overtime
Locked bathrooms
Starvation wages
Workers paid 15 cents for every $16.96 pair of Kathie Lee pants they sew

Cursing and screaming at the workers to go faster
Denial of access to health care
Workers fired and blacklisted if they try to defend their rights

Caribbean Apparel is inaccessible to public inspection. The American Free Trade Zone is surrounded by walls topped with razor wire. Armed guards are posted at the entrance gate.

Labels

Kathie Lee (Wal-Mart), Leslie Fay, Koret, Cape Cod (Kmart)

Sweatshop Conditions at Caribbean Apparel

Forced Overtime: 11-hour shifts, 6 days a week—Monday–Friday: 6:50 a.m. to 6:10 p.m. Saturday: 6:50 a.m. to 5:40 p.m. There are occasional shifts to 9:40 p.m. It is common for the cutting and packing departments to work 20-hour shifts from 6:50 a.m. to 3:00 a.m.

Anyone unable or refusing to work the overtime hours will be suspended and fined, and upon repeat ''offenses'' they will be fired.

There is no time clock. Records of an employee's overtime hours are written in a log by the supervisor. Workers report that it is not uncommon to be short changed two hours of overtime if the supervisor is angry with them.

There is a one 40-minute break in the day for lunch from noon to 12:40 p.m.

Mandatory Pregnancy Tests: All new workers must undergo and pay for a pregnancy test. If they test positive they are immediately fired. The test costs two days wages.

Below Subsistence Wages: The base wage at Caribbean Apparel is 60 cents an hour or $4.79 for the day. This wage meets only ⅓ of the cost of living.

Searched On the Way In and Out: Workers are searched on the way in—candy or water is taken away from them which the company says might soil the garments. On the way out, the workers are also searched.

The Factory is Excessively Hot: The factory lacks proper ventilation. There are few fans. In the afternoon the temperature on the shop floor soars.

No Clean Drinking Water: Only tap water is available, which is dirty and warm. Caribbean Apparel refuses to provide cold purified drinking water.

Bathrooms Locked: The workers are not allowed to get up or move from their work sites. The bathrooms are locked from 7:00 a.m. to 8:00 a.m., and again from 5:00 p.m. to 6:00. Workers need permission to use the bathroom, which is limited to one visit per morning shift and one during the afternoon shift. The workers report that the bathrooms are filthy.

Pressure and Screaming to go Faster: There is constant pressure to work faster and to meet production goals of sewing 100–150 pieces an hour. Mr. Lee, the production supervisor, curses and screams at the women to go faster. Some workers have been hit. For talking back to a supervisor the women are locked in isolation in a room. Most cannot reach their daily production quota and if they do the company arbitrarily raises the goal the next day.

Where a Worker Spends Money

Rent for two small rooms costs $57.07 per month, or $1.88 a day.
The round trip bus to work costs 46 cents.
A modest lunch is $1.37.

At the end of the day sewing Kathie Lee garments a worker is left with just $1.08, which is not even enough to purchase supper for a small family. Unable to afford milk, the workers' children are raised on coffee and lemonade.

15 Cents to Sew Kathie Lee Pants

The women earn just 15 cents for every pair of $16.96 Kathie Lee pants they sew. That means that wages amount to only 9/10 of one percent of the retail price of the garment. (62 workers on a production line have a daily production quota of sewing 2,000 pairs of Kathie Lee pants each 8-hour shift. 62 workers × $4.79 = 296.98/2,000 × $16.96 = $33,920/33,920) 296.98 = .0087553/or 9/10 of one percent × $16.96 = 15 cents)

Denied Access to Health Care

Despite the fact that money is deducted from the workers' pay, Caribbean Apparel management routinely prohibits the workers access to the Social Security Health Care Clinic. Nor does the company allow sick days. If a worker misses a day, even with written confirmation from a doctor that she or her child was very sick, she will still be punished and fined two or three days pay.

If the workers are seen meeting together, they can be fired. If the workers are seen discussing factory conditions with independent human rights organizations they will be fired. If workers are suspected of organizing a union they will be fired and blacklisted.

Fear and Repression—There are No Rights at Caribbean Apparel

Fear and repression permeate the factory. The workers have no rights. Everyone knows that they can be illegally fired, at any time, for being unable to work overtime, for needing to take a sick day, for questioning factory conditions or pay, for talking back to a supervisor, or for attempting to learn and defend their basic human and worker rights.

Fired for Organizing

Six workers have been illegally fired beginning in August for daring to organize a union at Caribbean Apparel. All six workers were elected officials to the new union.

List of Fired Workers

Blanca Ruth Palacios
Lorena del Carmen Hernandez Moran
Oscal Humberto Guevara
Dalila Aracely Corona
Norma Aracely Padilla
Jose Martin Duenas

Death Threat

In September, Jiovanni Fuentes, a union organizer assisting the workers at Caribbean Apparel, received a death threat from the company. He was told that he and his friends should leave the work or they would be killed. He was told that he was dealing with the Mafia, and in El Salvador it costs less than $15 to have someone killed.

KATHIE LEE/WAL-MART SWEATSHOP IN MEXICO

HO LEE MODAS DE MEXICO, PUEBLA, MEXICO

550 workers
The Ho Lee factory sews women's blazers, pants and blouses for Wal-Mart and other labels. Kathie Lee garments have been sewn there.

Sweatshop conditions

Forced Overtime: 12½ to 14 hour shifts, 6 days a week. Monday to Friday: 8:00 a.m. to 8:30 p.m. Saturday: 8:00 a.m. to 4:00 p.m.

There is one 40-minute break in the day for lunch.

The workers are at the factory between 67 and 79 hours a week.

New Employees are forced to take a mandatory pregnancy test.

For a 48-hour week the workers earn $29.57 or 61 cents an hour which is well below a subsistence wage.

Workers are searched on the way in and out of the factory.

The supervisors yell and scream at the women to work faster.

Bathrooms are filthy and lack toilet seats or paper. The workers have to manually flush the toilet using buckets of water. Some of the toilets lack lighting.

14-15-16 year old minors have been employed in the plants.

Public access to the plant is prohibited by several heavily armed guards.

KATHIE LEE/WAL-MART SWEATSHOP IN GUATEMALA

SAN LUCAS, S.A., SANTIAGO, SACATEPEQUEZ, GUATEMALA

1,500 workers
The San Lucas factory sews Kathie Lee jackets and dresses.

Sweatshop conditions

Forced Overtime: 11 to 14½ hour shifts, 6 days a week. Monday to Saturday: 7:30 a.m. to 6:30 p.m., sometimes they work until 10:00 p.m. The workers are at the factory between 66 and 80 hours a week.

Refusal to work overtime is punished with an 8-day suspension without pay. The second or third time this ''offense'' occurs, the worker is fired.

Below Subsistence Wages: For 44 regular hours, the pay is $28.57, or 65 cents an hour. This does not meet subsistence needs.

Armed security guards control access to the toilets, and check the amount of time the women spend in the bathroom, hurrying them up if they think they are spending too much time.

Public access to the plant is prohibited by several heavily armed guards.

Mr. HOLLINGS. Mr. President, again quoting:

In September, Jiovanni Fuentes, a union organizer assisting the workers at Caribbean Apparel, received a death threat from the company. He was told that he and his friends should leave work, or they would be killed. He was told that he was dealing with the Mafia, and in El Salvador, it costs less than $15 to have someone killed.

I could go on and on. Obviously, these working conditions are not to the attention of this particular body. They could care less.

Labor conditions are very important. The standard of living in the United States of America is an issue. When you open up a manufacturing plant, it is required that you have clean air, clean water, minimum wage, safe working machinery, safe working conditions, plant closing notice, parental leave, Social Security, Medicare, Medicaid, and unemployment compensation. All of these particulars are needed. These elevate to the high standard of American living. And it deserves protection. At least it deserves a negotiation—which we included in the NAFTA agreement—in this particular CBI and sub-Saharan agreement.

I yield the floor and reserve the remainder of my time.

The PRESIDING OFFICER. Who seeks time?

Mr. HOLLINGS. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. HOLLINGS. I thank the Chair.

The PRESIDING OFFICER. Who seeks time?

Mr. FEINGOLD addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. I ask unanimous consent to lay the pending amendment aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2428

(Purpose: To strengthen the transshipment provisions)

Mr. FEINGOLD. Mr. President, I call up amendment No. 2428 and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Wisconsin [Mr. FEINGOLD] proposes an amendment numbered 2428.

Mr. FEINGOLD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under ''Amendments Submitted.'')

Mr. FEINGOLD. Mr. President, as I have said before, unless the African Growth and Opportunity Act is significantly improved, it will fail to stimulate any meaningful growth in Africa; it will fail to provide significant opportunities for commerce or development; and, in fact, if we do not make some changes, it may do harm to both Africans and Americans. So what this amendment does is take an important step toward preventing harm and improving this trade legislation.

Mutually beneficial economic legislation has to be fair to all parties involved. The African Growth and Opportunity Act must be amended to adequately address the problems of transshipment, not just to make certain that it is fair to Africans but also to ensure Americans are not cheated and that American law isn't broken.

Let me talk a little bit about transshipment. Transshipment occurs when textiles originating in one country are sent through another before they come to the United States. What this does is, the actual country of origin seeks to disguise itself and therefore ignore our U.S. quotas. This is not a minor matter. Approximately $2 billion worth of illegally transshipped textiles enter the United States every year.

The U.S. Customs Service has determined that for every $1 billion of illegally transshipped products that enter the United States, 40,000 jobs in the textile and apparel sector are lost.

Let me repeat that.

The Customs Service says that every time we have a billion dollars of illegally transshipped products entering the United States, we lose 40,000 jobs in this country in that area of our economy.

Failure to protect against transshipment surely does harm. Those who think transshipment isn't going to be a problem in Africa had better think again.

We have had a chance to take a look at the official web site of the China Ministry of Foreign Trade and Economic Cooperation. It quotes an analyst as follows. This is a direct quote we have on this board. This is what they say on the web site:

Setting up assembly plants with Chinese equipment technology and personnel could not only greatly increase sales in African countries but also circumvent quotas imposed on commodities of Chinese origin by European and American countries.

That is very explicit and very intentional. The Chinese know standard United States protections against transshipment are weak, and they obviously intend to exploit them.

The African Growth and Opportunity Act, as it currently stands without my amendment, relies on those same weak protections—the same textile visa system that China and others have successfully manipulated in the past. This inadequate system requires government officials in the exporting country to give textiles visas certifying the goods' country of origin for those textiles to be exported. Too often, this isn't good enough; corrupt officials simply sell the visas to the highest bidder.

What does this amendment do? This amendment changes this failing system. It makes U.S. importers responsible for certifying where textiles and apparel are produced. This gives the U.S. entities a strong financial stake in the legality of their imports.

This amendment allows us not to rely simply on foreign officials. This standard relies on the American companies that operate right here under American law, and it holds those companies liable for any false statements or omissions in the certification process.

This amendment lays out clear procedures and tough penalties so that these regulations will actually work.

If the Senate agrees to this amendment, countries such as China that want to evade United States trade regulations will have to rethink their designs on Africa. If we agree to this amendment, the opportunities promised by this legislation really will go to Africans, and not to third parties. If we agree to this amendment, Americans will not lose their jobs because of AGOA's inadequate transshipment protection.

Mr. President, I ask for the yeas and nays on this amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. FEINGOLD. Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Delaware.

AMENDMENT NO. 2379

Mr. ROTH. Mr. President, I oppose the Hollings amendment for two reasons.

First, as I have stated previously, the goal of this legislation is to encourage investments in Africa, the Caribbean, and Central America. The amendment would undermine that effort by requiring the difficult negotiations of side agreements which would delay the incentive the bill would create. That, I argue, is of no help to these developing countries and will not lead to any greater improvement in the labor standards provisions that are already incorporated into these programs. Virtually every study available indicates that labor standards rise with a country's level of economic development.

The goal of the bill is to give these countries an opportunity to tap private investment capital as a means of encouraging economic development and economic growth. That is the most certain way to ensure these countries have the ability to enforce any labor standards they choose to enact into law.

Frankly, the worst opponent of labor standards is the lack of economic opportunities in these countries. It is difficult to insist on safe working conditions on the job and negotiate a living wage when you have no other job opportunities. The point of this legislation is to provide those job opportunities. Creating obstacles to that goal will diminish, not enhance, the positive impact the bill would have on labor standards.

The second reason I oppose the amendment is that it essentially depends on economic sanctions to work. The threat is that the economic benefits of the beneficiary countries will be cut off if the countries do not comply with the terms of some agreement yet to be negotiated. That not only undercuts the investment incentive by increasing the uncertainty of a country's participation in the program; it also does little to raise labor standards.

What is needed is a cooperative approach bilaterally between the United States and the particular developing country and among the countries of the region as a whole.

The lesson of the NAFTA side agreement, in my view, is that sanction mechanisms have done little to encourage better labor practices. What has worked under the NAFTA agreement is the cooperative ventures of the three participants. What is needed in the context of both regions targeted by this bill is a stronger effort among the participants, with the support of the United States, to tackle common problems facing their strongest resource—their workforce.

The Senate substitute before us does not preclude those sorts of constructive efforts by the President. Indeed, the President would do well to pursue a similar model in the context of our broader relations with our African, Caribbean, and Central American neighbors. The model offered by the pending amendment would not, in my judgment, help that goal.

I therefore urge my colleagues to oppose the amendment. At the appropriate time, I will make a motion to table the amendment.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, I am sort of stunned in a way because the argument is made that this is going to forestall the jobs that are intended under the bill.

Could it really be that we want to finance 13-year-olds and child labor?

Could it be that they have to work 100 hours a week at 13 cents an hour?

Could it be if they become pregnant and have to go home sick that they are fired?

I could go down the list of things.

That is what I just pointed out. I am confident my colleagues don't want to finance those kinds of atrocities.

I am just stunned that someone would say this would hold it up because the agreement is yet to be had. The agreement is to be joined by the authorities and the Governments of El Salvador, Guatemala, Honduras, and the other countries down there in the Caribbean Basin. If they haven't agreed, obviously, they couldn't be in violation, or they couldn't be with the side agreement.

That is why it is very innocent language suggesting that the benefits don't take effect until we have had a chance to sit down, both sides, and decide what will be agreed to and what will be done by the particular governments. So it would be violations of their own government policies.

AMENDMENT NO. 2483

(Purpose: To require the negotiation, and submission to Congress, of side agreements concerning the environment before benefits are received)

Mr. HOLLINGS. Mr. President, I am not trying to forestall. I am trying to comply with the requirements. I call up my amendment on the environmental side, and I ask unanimous consent to set aside the pending amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The legislative clerk read as follows:

The Senator from South Carolina (Mr. HOLLINGS) proposes an amendment numbered 2483.

At the appropriate place, insert the following:

SEC. . ENVIRONMENTAL AGREEMENT REQUIRED.

The benefits provided by the amendments made by this Act shall not be available to any country until the President has negotiated with that country a side agreement concerning the environment, similar to the North American Agreement on Environmental Cooperation, and submitted that agreement to the Congress.

Mr. HOLLINGS. Mr. President, the emphasis in this Amendment is similar to the North American Agreement on Environmental Cooperation.

It is the very same thing we required in NAFTA with Mexico and Canada with respect to the Canadian side.

I ask unanimous consent to have printed in the RECORD an article entitled ''Canadians Challenge California Pollution Rules Under NAFTA.''

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Gazette, (Montreal), Oct. 27, 1999]

CANADIANS CHALLENGE CALIFORNIA POLLUTION RULE UNDER NAFTA

(By Andrew Duffy)

OTTAWA.—A Canadian firm has filed a NAFTA environmental complaint against California, charging the state failed to protect its groundwater from leaky gasoline-storage tanks.

The unusual move by Vancouver's Methanex Corporation, which produces a gasoline additive being phased out by California, comes in addition to the company's $1.4-billion lawsuit against the state and the U.S. government, an action launched under Chapter 11 of the North American Free Trade Agreement.

Methanex argues California's ban on MTBE (methyl tertiary-butyl ether) is unfair because the problem lies not with the gasoline additive, but with aging underground gas storage tanks that leak into aquifers.

''It thus treats a symptom (MTBE) of gasoline leakage rather than the leakage itself, deflecting attention from the state's failure to enforce its environmental laws,'' says the company's environmental complaint, which has just been submitted to the Commission on Environmental Co-operation.

The Montreal-based commission was established under a NAFTA side-agreement to ensure Canada, Mexico and the U.S. maintain environmental standards in the face of trade pressures.

In its 16-page submission—the first of its kind from a corporation—Methanex contends California has not enforced existing laws designed to protect groundwater from contamination by leaky underground gas tanks.

Methanex is North America's largest supplier of MTBE, a gasoline additive that makes fuel burn more completely in a car engine, thus reducing tailpipe emissions.

Earlier this year, California Governor Gray Davis issued a regulation that will ban MTBE by 2002 because of concerns that it's polluting lakes and drinking water in the state.

''We believe that what's occurring in California is plain wrong from an environmental perspective,'' said Methanex vice-president Michael Macdonald.

''People have lost sense of the plotline: that MTBE only gets into the environment through gasoline releases. We're trying to focus attention on the root cause of the issue, which is leaking underground storage tanks.''

California has the strictest air-quality controls in North America. As part of those controls, oil-refiners in the state were required to improve their gasolines during the 1990s; many turned to MTBE to cut emissions.

But California researchers now say MTBE is so highly soluble—more so than other gas components—that it travels far from the source of gas leaks to pollute groundwater.

MTBE contamination has forced the closing of wells in Santa Monica, Lake Tahoe, Sacramento and Santa Clara, according to a state auditor's report issued last year. The same report said evidence from animal studies suggests the chemical compound may be a human carcinogen.

Methanex has notified the U.S. government it will seek damages under NAFTA's Chapter 11, which gives corporations the right to sue governments if they make decisions that unfairly damage their interests.

Company officials said yesterday they're about to enter discussions on an out-of-court settlement with the U.S. State Department.

American companies have used Chapter 11 to challenge Canadian laws that restricted the use of another gasoline additive, MMT; banned the export of PCBs; and halted the export of fresh water from British Columbia.

The only case to be settled—the one that involved MMT—cost Canadian taxpayers $20 million.

Mr. HOLLINGS. Similarly, I have an article about the side deals to the trade agreement giving labor and environmental issues a new form of significance that I ask unanimous consent be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Chicago Tribune, Nov. 29, 1998]

A VISION UNFULFILLED

(By Karen Brandon)

The new pier's long, crooked finger points deep into the Caribbean Sea near the fragile coral reef off the coast of Cozumel, Mexico.

The mere existence of the structure offers a metaphor for the paradoxes raised by the world's most ambitious attempt to tie environmental concerns to international free trade.

The Puerta Maya pier dispute is the sole case to wind its way completely through the labyrinth of bureaucracy established to resolve environmental conflicts under the North American Free Trade Agreement.

Environmentalists persuasively argued that the Mexican government violated its own environmental laws when it assessed the potential impact of the pier, designed to accommodate more and larger cruise ships and to bring more tourists to the region.

According to the 55-page ''final factual record'' that followed an 18-month investigation, the environmentalists essentially won.

''We proved that the Mexican government violated the law,'' said Gustavo Alanis, president of the Mexican Environmental Law Center, one of the organizations that raised the issue. ''It's an enormous victory for international environmental rights.''

But the victory is only on paper. The Puerta Maya pier was built, and tourists now disembark from cruise ships there to stroll its walkway lined with liquor, perfume and souvenir shops.

As the outcome of the pier project suggests, the environmental legacy of the free trade agreement begun nearly five ago is contradictory.

The very trade agreement that elevated environmental concerns to an unprecedented level, making ''sustainable development'' one of its goals, also gave businesses a new tool to combat pollution regulations they consider onerous. The measure, an investment provision that has been interpreted to allow companies to sue countries whose pollution regulations hinder profits, is essentially unaffected by the environmental side accord and lies beyond the direct jurisdiction of the Commission for Environmental Cooperation, the organization created to oversee environmental concerns.

In analyzing the impact of the agreement's overall environmental agenda, the Tribune interviewed scores of economists, legal experts, government officials and environmental activists in Canada, Mexico and the United States.

The free trade agreement, with its side accord, did not force a cleanup of long-polluted sites. It did not foist tough new international standards on polluters. It did not create a new police agency to enforce regulations that had long been ignored.

The agreement set no minimum or uniform standards for the three participating nations. Instead, it promised to see, somehow, that each nation enforced its environmental laws, and it gave citizens a new international forum to raise complaints about countries that failed to do so.

Even its most passionate advocates concede the pact has no practical means to punish governments or companies other than through the stigma of bad publicity. A provision for sanctions exists for a ''persistent pattern'' of failure to enforce environmental laws, but many experts say it will never be used.

Moreover, though it technically bars the weakening of environmental laws to attract investment, the agreement offers no real tool to counteract any decision by the countries to alter their own environmental laws for any reason, analysts note.

''The implication is that the three governments are going to be at least as good by the environment as they are today,'' said David Gantz, associate director of the National Law Center for Inter-American Free Trade at the University of Arizona in Tucson. That assumption, he added, is ''dependent on their goodwill.''

Scenes from the U.S.-Mexico border, the fastest-growing region in North America, tell the story of the vast environmental problems facing Mexico. Explosive population and industrial growth, some of it fueled by the trade agreement itself, have only worsened the pollution that plagues the region's air, water and ground.

The border remains a stark contradiction, a place where the world's most prosperous corporations using the most modern manufacturing techniques stand beside poor neighborhoods where people live in shacks made of wooden pallets or cardboard, without running water, sewers, electricity or telephones.

In Tijuana, obvious industrial violations are easy to find. The stench of a bathtub refinishing plant burns the eyes and nose of anyone within blocks of the building, and industrial fans meant to clear the air for workers inside stand idle. At the site of the abandoned lead smelting factory Metales y Derivados, a subsidiary of San Diego-based New Frontier Trading Corp., which is now the subject of a citizens' complaint against Mexico, leaking car batteries lie in huge mounds, and the only pretense of a cleanup is torn plastic sheeting.

The New River, which crosses the Mexico-California border, is essentially a sewer, even more so now that the temporary ''fix'' for it has been to encase it in huge tubing, rather than to clean it. Ciudad Juarez has no facility to treat the sewage from its 1.3 million residents.

John Knox, a University of Texas law professor and former negotiator for the State Department on the environmental side accord, said, ''I think it's fairly easy to say it is better than nothing, but if you compare what it's doing to the scope of the problem, then it seems pretty minuscule.''

NEW OPPORTUNITIES

When it took hold on New Year's Day 1994, the trade agreement already had deeply divided environmentalists. Opponents feared it would make Mexico a pollution haven and drag down the higher standards of Canada and the United States. Advocates believed it could be Mexico's best hope, both by pressuring it into better environmental standards and by improving its economy, which in turn could lead to higher environmental standards.

Pollution intensity is highest in the early stages of a country's industrialization, but it wanes as income levels rise. Researchers have found that environmental degradation tends to decline once annual per capita incomes reach a threshold of $8,000—roughly double Mexico's per capita income.

One particular dispute settled in July has only exacerbated environmentalists' fears that governments would be pressured to reduce their pollution standards.

In June 1997, the Canadian government banned a gasoline additive after some studies suggested the chemical, MMT, used to boost octane's power, could cause nerve damage. In retaliation, the manufacturer, Richmond, VA-based Ethyl Corp., sued the Canadian government for $250 million under a provision in the trade agreement's main text, not its environmental side accord, contending that the ban essentially amounted to an ''expropriation'' for which it should be compensated.

The same substance has provoked considerable controversy in the United States, where it was among the chemicals banned by the 1977 Clean Air Act. Eighteen years later, Ethyl won the right to sell MMT from an appeals court ruling that overturned the Environmental Protection Agency's decision to continue the ban in lieu of sufficient studies on the substance's potential effects.

In July, the Canadian government rescinded the ban and agreed to pay Ethyl $13 million for lost profits and legal costs.

''Virtually any public policy which diminishes corporate profits is vulnerable,'' said Michelle Swenarchuk, director of international programs for the Canadian Environmental Law Association. ''It has profound intimidating effects.''

The prospect of such a suit had helped to kill a Canadian proposal that would have required cigarettes be sold only in plain brown packaging to make them less appealing to children, she said.

A similar case is pending against Mexico under the same provision, which authorizes arbitration panels to handle such cases in private. In it, Metalclad Corp., a Southern California hazardous-waste disposal business, is seeking $990 million in damages for being denied permission to open a landfill in central Mexico.

Meanwhile, 20 cases (eight against Canada, eight against Mexico and four against the United States) have been brought to the Commission for Environmental Cooperation alleging that governments have failed to enforce their environmental provisions. Eleven are under review, including one that is undergoing the most advanced procedure for redress available, the preparation of a factual record. That case stems from allegations that the Canadian government has failed to protect fish and fish habitat in British Columbia's rivers from damage by hydroelectric dams.

The notorious environmental problems of Mexico do not stem from its laws. Many are styled after U.S. provisions, and some are more stringent.

But enforcement is lax or absent. In a recent World Bank Group study in Mexico, more than half of the industries surveyed said they did not comply with environmental regulations.

The Mexican government insists that it has made important strides in dealing with the environment, principally with more environmental inspections.

''Government action . . . has presented important advances in the three years of the present administration,'' a statement from the Mexican embassy is Washington, D.C., said.

But its federal government this year has been forced to make deep spending cuts that include its environmental program because of the ongoing drop in the price of oil, upon which Mexico depends for more than one-third of its revenues.

Slow steps

The environmental accord created two institutions dedicated to pollution cleanup along the U.S.-Mexico border: the North American Development Bank, created by $450 million contributed in equal parts by the United States and Mexico to arrange financing for projects; and its sister agency, the Border Environmental Cooperation Commission, which evaluates projects before they can receive the bank's backing. The institutions got off to a slow start, and the chief obstacle for most projects was basic: They had to find a way to pay for themselves.

The bank's mission—to finance the projects primarily by guaranteeing loans, rather than by grants—proved an almost insurmountable hurdle for communities in an impoverished region that had never found the financial resources or the political will to meet basic needs, such as providing drinking water and sewers.

''Is it possible to clean up on a for-profit basis 30 years of raping the environment for profit?'' asked David Schorr, senior trade analyst for the World Wildlife Fund.

Though other development banks offer low-interest loans, the North American Development Bank has no such discount. ''Market rates can make a loan package prohibitively expensive for poor communities,'' said Mark Spalding, a University of California at San Diego instructor who participated in the negotiations to create the two institutions. It was only in April 1996, when the bank received a $170 million infusion of grants from the U.S. Environmental Protection Agency, that its projects began to seem viable.

Now, 19 projects representing a planned investment of $600 million have been approved, and the first of them, two landfills, are to be completed in January. Eight are under construction, and two more, including a sewage treatment plant for Ciudad Juarez, are soon to begin. Dozens of others are in preliminary planning stages, beginning the arduous process to determine how, and whether, they can be financed.

While the bank's sewage-treatment projects represent unquestionable improvements for border communities, they have faced one criticism. The standards set for Mexican communities are beneath those considered basic in the U.S.

One of the few evaluations of the side agreement's environmental agenda suggests that it has been modestly successful in carrying out cooperative initiatives among the countries. The accomplishments include agreements among the countries to phase out some pollutants, and to develop or expand new programs for conservation of species, including monarch butterflies and migratory songbirds, concluded the Institute for International Economics, a non-profit, non-partisan research institution in Washington, D.C

The Commission for Environmental Cooperation, which has been plagued by political rifts between the U.S. and Mexico, admits it has yet to resolve the debate over whether trade liberalization leads to better or worse environmental conditions. ''While there are theoretical arguments on both sides, there is little empirical data available to settle it,'' its own assessment concluded.

This fall the commission published a study purporting to find a drop in pollution across North America during the trade agreement's first year. It failed to take into account one substantial portion of the continent, however—Mexico, which has yet to implement the necessary pollution reporting system.

Mr. HOLLINGS. From that article:

Environmentalists persuasively argued that the Mexican government violated its own environmental laws when it assessed the potential impact of the pier, designed to accommodate more and larger cruise ships.

''We proved that the Mexican government violated the law,'' said Gustavo Alanis, president of the Mexican Environmental Law Center, one of the organizations that raised

the issue. ''It is an enormous victory for international environmental rights.''

The emphasis, of course, is that there are those in the countries involved with labor rights and with the environment. They are not purely nomads. They have an environmental movement in Mexico and in Canada.

We would help to extend environmental concerns and labor rights with this particular agreement if they adopt these two amendments.

I ask for the yeas and nays on this amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. HOLLINGS. I yield the floor.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. Mr. President, I remind my colleague that my bill already includes significant labor conditions. Specifically, the beneficiary countries must be taking steps to afford their workers' internationally recognized worker rights. If the beneficiary countries fail to protect worker rights, then the benefits under both the CBI and Africa may be terminated.

AMENDMENT NO. 2428

I will now address the proposed amendment of the Senator from Wisconsin. The legislation he refers to, to add some novel transshipment provisions, raises serious constitutional questions in the United States. What the bill would do is impose joint liability on the importer and the retailer for any material false statement or any omission made in filing the numerous forms and certifications that have to be filed to enter any textile or apparel items into the United States and receive the meager benefits available under the bill.

The bill adds Draconian new penalties for any alleged transshipment. While I am not opposed to adding such penalties for what is outright customs fraud subject to all the normal due process protections ordained by the Constitution and contained in current U.S. law, this bill allows for the imposition of such penalty on what it terms ''the best information available.''

Let me put that in its proper context. Under this bill, a retailer who has no control over either the exporter's or importer's action could be held jointly liable for any minor omission made by either the exporter or importer and held liable not because the retailer was found to be guilty of infraction beyond a reasonable doubt but merely on the basis of the best information available to the Customs Service.

That turns the whole notion of a due process protection guaranteed by the Constitution and by American administrative law on its head. I submit this is the opposite of constitutional protection.

This is an example, in the words of Jeremy Benton, of what is called dog law. The author decided they can't tell the dog right or wrong ahead of time, and they kick it after the fact to let it know they think it has done wrong. My guess is there aren't too many retailers willing to get in the way of a hard left foot. This bill aims at their praises, but what Customs provisions do as a result is discourage trade and thereby discourage investment.

In short, this proposal is not what the author suggested nor is this bill, as the title claims: Hope for Africa. In fact, this bill is the reverse of what we want to do in establishing a new partnership with Africa.

I urge my colleague to oppose this amendment.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROTH. Mr. President, I oppose the Hollings amendment No. 2483 and I do so for two reasons. First, as I have stated previously, the goal of this legislation is to encourage investment in Africa, the Caribbean, and Central America. The amendment undermines that effort by requiring the difficult negotiation of side agreements on both labor and the environment that delays the incentive that the bill is intended to create. This is bad for labor and environmental conditions in the beneficiary countries as well as their economies.

The available research suggests labor and environmental standards rise with a country's level of economic development. This is because for countries that are on the edge of famine, enforcing labor standards and protecting the environment are a luxury. The Finance Committee bill helps economically and in improving labor and environmental standards by giving these countries an opportunity to tap private investment capital as a means of encouraging economic development and economic growth. That is a most certain way to ensure that these countries have the wherewithal to pay for environmental protection.

The second reason I will oppose the amendment is that it essentially depends on economic sanctions to work. It threatens to cut off a series of economic benefits if the countries do not comply with the terms of some agreement yet to be negotiated. That not only undercuts the investment incentive by increasing the uncertainty of a country's participation in the program, it also does little to raise labor and environmental standards. As we have heard during the extended debate we have had on economic sanctions in the past, they do, actually, little to affect the behavior of the target country. Indeed, in the case of the intended beneficiaries of these tariff preference programs, they would have the opposite effect on labor and environmental protections by discouraging investment in economic growth.

What is needed, as I said earlier, is a cooperative approach, bilaterally between the United States and the particular developing country and among the countries of the regions as a whole. The experience under the NAFTA side agreement reinforces my point. The sanctions mechanisms have done little to encourage better labor and environmental practices. What has worked under the NAFTA agreement is the cooperative ventures of the three participants on both the labor and the environmental front. The NAFTA Commission on Environmental Cooperation, for example, advises all three countries on how to tackle common environmental problems. That advice has helped ensure coordination rather than conflict among the NAFTA partners over environmental issues.

The Senate substitute before us does not preclude these sorts of constructive efforts by the President. Indeed, the President would do well to pursue a similar model in the context of our broader relations with our African, Caribbean, and Central American neighbors. The model offered by the pending amendment would not help us towards that goal. I, therefore, urge my colleagues to oppose the amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending business is the Hollings amendment No. 2483.

AMENDMENT NO. 2428

Mr. FEINGOLD. Mr. President, this is a little confusing. We are debating several amendments at once. I would like to see if we could get a little back and forth going. I wanted to respond to the chairman's comments about my amendment, but then he went into several arguments about the amendment of the Senator from South Carolina. I am worried it is going to be awfully hard for people to follow this.

Let me return to and respond to the concerns of the chairman with regard to the amendment I have offered, to try to do something about this problem of transshipment, this problem that some countries—very likely China—will take advantage of this new Africa Growth and Opportunity Act to ship a lot more of their goods through Africa into the United States, and not only harm the African nations and people who are trying to benefit from this but harm American jobs.

Every $1 billion of transshipped goods into this country apparently costs about 40,000 American jobs in the textile-related area.

When the chairman suggests we are trying to discourage legal trade by this amendment, that is the opposite of what we are doing. We are trying to prevent this kind of circumvention of

the spirit and intent of the law by unfair and what should be illegal transshipment.

The Senator has suggested somehow there is a constitutional problem with imposing some penalties on importers who are given some responsibilities in this regard. I was not clear on what the constitutional provision was. I assume it is the notion of taking property without due process of law. But if we take a look at these penalties, what we are trying to do is make absolutely sure the importer cooperates with the Customs Service in order to make sure what is happening is not a scam by a government, such as the Chinese Government, to transship its goods through Africa.

Let's look at the actual language the Senator has complained about. He refers to the use of ''best available information.'' All that is required for an importer is that an importer has to cooperate. Let me emphasize this for my colleagues. It says:

If an importer or retailer fails to cooperate with the Customs Service in an investigation to determine if there was a violation of any provision of this section, the Customs Service shall base its determination on the best available information.

The only time this ''best available information'' is even utilized is where the importer has not been willing to cooperate. I think that is entirely reasonable. The Senator refers to these penalties as draconian, as too severe. Let's remember what this bill does. It gives these importers a golden opportunity, a new opportunity to make a lot of money through these new trade opportunities with Africa. I do not think it is draconian to ask these importers to take reasonable steps to avoid the kind of abuse China obviously intends to pursue in this area.

The penalty for the first offense is a civil penalty in the amount equal to 200 percent of declared value of merchandise, plus forfeiture of merchandise. In light of the new opportunities this gives these importers, I do not see this as draconian. I see this as a penalty that is commensurate with the kind of opportunities they are provided. I assume these importers in good faith do not want to facilitate Chinese circumvention of our laws and our quotas. I assume their goal is a good-faith desire to make a profit by trading with these African countries. So we need to do something other than what is the current law, and all the bill does in its current form is reiterate the current law that does not work because it relies on foreign officials to certify these products are really African goods.

That is not good enough. We need to place some responsibility on the importer who is subject to American law. This is the critical point. Either we are going to simply pass this bill, which, frankly, already is very unbalanced and not sufficient to protect American workers, or we are going to try to fix it. Surely, one area we need to fix is this transshipment problem.

Let me quote, again, these web sites of the People's Republic of China, Ministry of Foreign Trade and Economic Cooperation. They say, about the current law which this bill continues:

There are many opportunities for Chinese business people in Africa. Setting up assembly plants with Chinese equipment and personnel could not only greatly increase sales in African countries, but also circumvent the quotas imposed on commodities of Chinese origin imposed by European and American countries.

The opposition to this amendment simply wants to allow the Chinese Government to continue this program. They provide no tough penalties, no obligation for people we can do something about, such as importers and people under American law. They want to let the good times roll for these Chinese companies and governments that are trying to undercut American jobs.

I think that is wrong. Clearly, if there is anything should be adopted, it should be some cracking down on the extremely abusive practice of transshipping. Let's not let these African countries be pawns for the Chinese goal of undercutting American jobs.

Our amendment will strengthen this bill. It certainly will not weaken the bill. It will make the bill a much more honest attempt to make sure this fosters a trade relationship between the United States and the countries of Africa—not a conduit for Chinese abuse of American quotas.

I yield the floor.

The PRESIDING OFFICER (Mr. CRAPO). The Senator from Delaware.

Mr. ROTH. Mr. President, I ask consent it be in order for me to move to table the following amendment——

AMENDMENT NO. 2483

Mr. HOLLINGS. Will the distinguished Senator withhold? When he moves to table, that will terminate all debate, as I understand it.

I want to offer one more amendment. But with respect to the environmental amendment, it is clear the distinguished chairman of Finance says: Look, this environmental side agreement we had in NAFTA would now discourage investment. It didn't discourage investment in Mexico and didn't discourage investment in Canada. It would not discourage investment. What we are saying is before you open up as compared to the CBI, you have to have clean air and clean water and the environmental protection statements. You have to have all of these particular requirements. But, by the way, if you want to get rid of them, then go down to the CBI.

The message is clear. This is what you might call the Job Export Act of 1999.

AMENDMENT NO. 2485

(Purpose: To require the negotiation of a reciprocal trade agreement lowering tariffs on imports of U.S. goods with a country before benefits are received under this Act by that country)

Mr. HOLLINGS. Mr. President, I ask unanimous consent to set aside the pending amendment and call up amendment No. 2485, relative to reciprocity.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from South Carolina [Mr. HOLLINGS] proposes an amendment numbered 2485:

At the appropriate place, insert the following:

SEC. . RECIPROCAL TRADE AGREEMENTS REQUIRED.

The benefits provided by the amendments made by this Act shall not be available to any country until the President has negotiated, obtained, and implemented an agreement with the country providing tariff concessions for the importation of United States-made goods that reduce any such import tariffs to rates identical to the tariff rates applied by the United States to that country.

Mr. HOLLINGS. Mr. President, it is a matter of reciprocity. We have that working, as they can tell you, wonderful success with Canada and Mexico; reciprocity on all the trade items.

I ask unanimous consent to have the text of tariffs in the Caribbean, Sub-Sahara Africa, and the tariffs and other taxes on computer hardware and software printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

	In percent as high as
Textile Tariffs in the Caribbean	
Dominican Republic	43 (Includes 8% VAT).
El Salvador	37.5 (Includes 12% VAT).
Honduras	35 (Includes 10% VAT).
Guatemala	40 (Includes 10% VAT).
Costa Rica	39 (Includes 13% VAT).
Haiti	29.
Jamaica	40 (Includes 15% general consumption tax).
Nicaragua	35 (Includes 15% VAT).
Trinidad & Tobago	40 (Includes 15% VAT).
Textile Tariffs in Africa	
Southern Africa Customs Union (South Africa, Botswana, Lesotho, Namibia and Swaziland).	74 (Includes 14% VAT for South Africa).
Central African Republic	30.
Cameroon	30.
Chad	30.
Congo	30.
Ethiopia	80.
Gabon	30.
Ghana	25.
Kenya	80 (Includes 18% VAT).
Mauritius	88.
Nigeria	55 (Includes 5% VAT).
Tanzania	40.
Zimbabwe	200.

WORLDWIDE TARIFFS AND TAXES ON COMPUTER HARDWARE AND SOFTWARE

Country	Hardware tariff (in percent)	Software tariff (in percent)	Other taxes
Africa:			
Angola	(1)	15	1% surcharge.
Benin	(1)	18	5% customs.

WORLDWIDE TARIFFS AND TAXES ON COMPUTER HARDWARE AND SOFTWARE—Continued

Country	Hardware tariff (in percent)	Software tariff (in percent)	Other taxes
Botswana	0	18	14% VAT.
Cameroon	10	10	15% tax on software, 10% on hardware.
Congo	15	15	15% tax on software, 10% on hardware.
Cote d'Ivoire	5	5	11% VAT on software, 20% on hardware.
Ethiopia	0	50	None.
Gabon	10	10	5% tax.
Ghana	10	25	35% customs tax and 40% entry tax on software, 22.5% on hardware.
Kenya	31	50	18% VAT.
Lesotho	0	18	14% VAT.
Malawi	30	45	20% surcharge.
Mauritius	15	18	8% surcharge.
Mozambique	7.5	35	30% tax on computer discs.
Namibia	0	18	14% VAT.
Nigeria	10	25	5% VAT, 7% surcharge.
Senegal	20	20	20% VAT.
South Africa	0	0	14% VAT.
Sudan	0	40	None.
Swaziland	0	18	14% VAT.
Tanzania	20	30	30% sales tax 5% surtax.
Zambia	15	25	20% sales tax.
Zimbabwe	15	40	10% surtax.
Caribbean Basin:			
Bahamas	15	35	4% stamp tax.
Belize	5	35	15% VAT.
Colombia	5	5	16% VAT.
Costa Rica	2	7.5	13% VAT.
Dominican Republic	10	30	8% sales tax.
El Salvador	0	10	13% VAT.
Guatemala	0	10	10% VAT.
Honduras	1	19	7% VAT.
Jamaica	5	5	15% general consumption tax.
Nicaragua	0	10	15% VAT.
Panama	5	15	5% VAT.

[1] Unknown.

Mr. HOLLINGS. Tariffs on textiles, the 10-percent tariff, which is ready to be blended out, in the blending out and termination of the Multifiber Arrangement in the next 5 years. Be that as it may, we have, in the Dominican Republic a tariff of 43 percent plus 8 percent VAT; El Salvador, 37.5 plus; Honduras, 35 percent plus; Guatemala, 40 percent; Costa Rica, 39; Jamaica, 40; Nicaragua, 35; 40 percent to Trinidad. We have a similar group of tariffs with respect to the tariffs in Africa: the Central African Republic, 30 percent; Cameroon, 30; Chad, 30; Congo, 30; Ethiopia, 80 percent; Gabon, 30 percent; Ghana, 25; Kenya, 80 percent; Mauritius, 88; Nigeria, 55 percent; Tanzania, 40; Zimbabwe, 200 percent.

I plead for reciprocity. I plead for the information revolution, which somehow bypassed me according to this morning's editorial in the Wall Street Journal.

With respect to tariffs on computer hardware and software, we are trying to make sure they do not do transshipments, as the distinguished Senator from Wisconsin has pointed out, and in turn, include such tariffs as: Ethiopia, 50 percent on computer hardware and software; Ghana, 25 percent, plus a 35-percent customs tax, plus a 40-percent entry tax on software and a 12.5-percent complementary tax on hardware.

They are keeping out these advancements due to these high tariffs. This will help not just the African countries, but protect the computer information age material.

In Lesoto, 18 percent plus a 14-percent VAT.

In Malawi, 45-percent tariff plus a 20-percent surcharge.

In Mozambique, 35-percent tariff plus a 30-percent tax on computer disks, a 5-percent circulation tax.

In Senegal, 20 percent with a 20-percent VAT plus 5-percent stamp tax, for a total of 45 percent.

In Sudan, 40 percent.

In Tanzania, 30 percent plus a 30-percent sales tax plus a 5-percent surtax. That is a 65-percent tax.

In Zambia, 25 percent and a 20-percent sales tax.

In Zimbabwe, a 40-percent tariff plus a 10-percent surcharge, for a total of 50 percent.

Going down that list, we have traded a lot of things, and this does not just relegate itself to textiles, it relegates itself to all trade.

The distinguished Senator from Wisconsin is pointing out, very appropriately, the transshipments. We encourage the transshipments without reciprocity. That is why we put it into NAFTA. It should be part of this. We voted on this. It was supported by the distinguished chairman of the Finance Committee and the ranking member with NAFTA. I do not see why they cannot support it now rather than moving to table the amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. Mr. President, I oppose this Hollings amendment for three reasons.

The first reason, as I have stated previously, is that the purpose of this legislation is to encourage investment in Africa, the Caribbean, and Central America by offering these poverty-stricken countries a measure of preferential access to our market. The amendment would undermine the effort by making eligibility explicitly dependent on the offer of reciprocal benefits to the United States equivalent to those to which the United States is entitled under NAFTA.

The underlying requirements of the African-CBI provisions of the Finance Committee's substitute do encourage the beneficiary countries to remove barriers to trade. The existing requirements also impose an affirmative obligation to avoid discrimination against U.S. products in the beneficiary country's trade. What the Finance Committee substitute does not require is market access equivalent to that of NAFTA, a standard that even the WTO members among these beneficiary countries could not currently satisfy.

The second reason I oppose the amendment is that the Finance Committee already instructs the President to begin the process of negotiating with the beneficiary country under both programs for trade agreements that would provide reciprocal market access to the United States as well as a still more solid foundation with a long-term economic relationship between the United States and its African, Caribbean, and Central American neighbors.

Under the Africa provisions of the bill, the President is instructed to assess the prospects for such agreement and is called on to establish a regional economic forum. That forum could prove instrumental in solving market access problems that U.S. firms may face currently as well as a forum for any eventual negotiation.

Under the CBI provisions of the bill, the Finance Committee sought to encourage our Caribbean-Central American trading partners to join with us in pressing for the early conclusion and implementation of the free trade agreements of the Americas. Each of the beneficiary countries of the CBI program has played an active and constructive role in those talks today.

In both Africa and the CBI, we are making progress in opening markets and eliminating barriers to United States trade. The fact that we do not currently enjoy precisely those benefits offered by Canada and Mexico in

the context of the NAFTA is no bar to action here.

Finally, the bill does encourage reciprocity where it really counts in the context of this bill. By encouraging the use of U.S. fabric and U.S. yarn in the assembly of apparel products bound for the United States, the bill establishes a solid economic partnership between industry and the United States and firms in the beneficiary country. That provides real benefits to American firms and workers in the textile industry by establishing the platform by which American textile makers can compete worldwide. That is precisely the benefit our industry most seeks in the context of our growing economic relationship with both regions.

In short, I oppose the amendment and urge my colleagues to do the same.

Mr. President I ask unanimous consent that it be in order for me to move to table the following amendments with one show of seconds. The amendments are: Hollings No. 2379, Feingold No. 2428, Hollings No. 2483, and Hollings No. 2485. I further ask unanimous consent that these votes occur in a stacked sequence beginning at 3:45, with the time between now and then equally divided in the usual form; there be no other amendments in order prior to the votes; there be 4 minutes equally divided just before each vote; and the votes occur in the order in which the amendments were called up.

The PRESIDING OFFICER. Is there objection?

Mr. CONRAD. Mr. President, reserving the right to object.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Mr. President, Senator GRASSLEY and I had indicated we would like a chance to offer our amendment at about this time. I inquire if this agreement could include an agreement to allow Senator GRASSLEY and me time to present our amendment before these votes.

Mr. ROTH. All these amendments are going to be disposed of by a tabling motion.

Mr. CONRAD. I understand that. What I am inquiring is whether or not, as part of this agreement, the Senator can indicate that Senator GRASSLEY and I will have a chance to offer our amendment.

Mr. ROTH. Before or after the vote?

Mr. CONRAD. Before the vote. We will be happy to take a vote as part of that sequence or have it at a later point, but that we at least have a chance, since we are both here, to present our amendment before these votes are taken.

Mr. ROTH. I will be happy to add the Conrad-Grassley amendment to the list if it is all right with my colleague.

Mr. MOYNIHAN. Yes. May I ask how much time the Senators from Iowa and North Dakota wish?

Mr. CONRAD. I ask my colleague how much time he wants. May we have 10 minutes, at most, on our side to talk about this amendment?

Mr. ROTH. I then change my proposal to 4 o'clock rather than 3:45, with the understanding my colleagues will take 10 minutes for their side of the amendment.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, I have a question for the chairman. He and I talked about my adding another amendment prior to these votes as well, amendment No. 2406. I also only need 10 minutes. I ask it be included in the sequence of votes as well.

Mr. ROTH. Will the Senator give me the number of his amendment?

Mr. FEINGOLD. This is No. 2406.

Mr. ROTH. Mr. President, let me renew my request. I ask unanimous consent that it be in order for me to move to table the following amendments, with one show of seconds. The amendments are: Hollings amendment No. 2379, Feingold amendment No. 2428, Hollings amendment No. 2483, Hollings amendment No. 2485, Conrad-Grassley amendment No. 2359, and Feingold amendment No. 2406.

I further ask consent that these votes occur in a stacked sequence beginning at 4 o'clock, with the time between now and then equally divided in the usual form, and there be no other amendments in order prior to the votes, and there be 4 minutes equally divided just before each vote, and the votes occur in the order in which the amendments were called up.

The PRESIDING OFFICER. Is there objection?

Mr. ROTH. Each will be a 15-minute vote.

The PRESIDING OFFICER. The Chair would ask, to clarify the request, that the debate on amendments Nos. 2359 and 2406 be limited to 10 minutes per amendment.

Mr. CONRAD. Mr. President, my understanding was we were going to get 10 minutes on our side on our amendment.

Mr. ROTH. Yes; 10 minutes.

Mr. MOYNIHAN. Yes.

Mr. CONRAD. Would the chairman modify his request in that regard?

Mr. MOYNIHAN. I think he did.

The PRESIDING OFFICER. Let the Chair restate its understanding. The Chair's understanding is, it will be in order for the Senator from Delaware to move to table the amendments which have been listed, with one showing of seconds; further, that these votes would occur in a stacked sequence beginning at 4 p.m.; between now and 4 p.m., however, amendments Nos. 2359, and 2406 will be allowed to be debated for a maximum of 10 minutes each. The remaining time until 4 p.m. would be divided equally as stated in the unanimous consent request.

Is that correct?

Mr. CONRAD. That is not correct from our standpoint because our understanding was we were going to get 10 minutes on our side. As the Chair has stated it, it would be 10 minutes total debate on our amendment. So if you could just amend that unanimous consent request to be that on amendment No. 2359, there be up to 10 minutes on a side—and we will endeavor not to use that full time—it would be fully agreeable.

Mr. ROTH. That is satisfactory.

Mr. FEINGOLD. I would ask for the same on the amendment I am proposing with the expectation we will not use all the time.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. ROTH. But, Mr. President, I ask unanimous consent the votes start at 4:15, then, instead of 4 o'clock.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOYNIHAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. May I first congratulate the Chair for having recapitulated this agreement.

The PRESIDING OFFICER. Thank you very much.

Mr. MOYNIHAN. Not a small intellectual feat, equal to my understanding of some of the amendments themselves.

Sir, I am going to make two quick comments. One is anecdotal. I was involved with the negotiation of the Long-Term Cotton Textile Agreement under President Kennedy in 1962. This was a major effort. It was done at the behest of the Southern mill owners and operators, the producers of cotton textiles, and also of the trade unions that represented the garment trades, the Amalgamated Clothing Workers Union and the International Ladies Garment Workers Union, now formed with another union into UNITE. It was a precondition of getting the Trade Expansion Act of 1962, the one major piece of legislation of President Kennedy's first term.

It came and went on to produce what we know as the Kennedy Round. That sequence of long negotiations, most recently was the Uruguay Round, which produced the World Trade Organization. There is another round coming up, we hope, in the aftermath of the Seattle meeting.

Years went by, and I found I was Ambassador to India. On an occasion, in meeting with the Foreign Minister, I said to him, just curiously: Do you find that the quota which India received in the American market of cotton textiles is onerous? It had now been a decade since it was in place. I asked: Is it a trade restriction that is particularly of concern to you? Because if it was, I was required to report it back to Washington.

The Foreign Minister said: Oh, no. That quota guarantees us that much access to the American market which we would otherwise not have, because American textile manufacturers are the low-cost producers. We do not hand loom cotton textiles in this country or wool for that matter. We have the most advanced machinery in the world.

Not to know that, to depict us as the potential victims of the Chinese, with their child labor, does not show any understanding of why nations have child labor. They do so because they do not have machines. They do not have the infrastructure of a modern economy.

The African Growth and Opportunity Act requires that the President certify basically the openness of the trading system, as much as it is going to be open, of the respective countries. The African Growth Act, for example, requires that he determine the country involved has established or is making continual progress towards establishing an open trading system for the elimination of barriers to U.S. trade and investment and the resolution of bilateral trade and investment disputes.

Sir, does anyone wish to name me a nation in the world that would not be open to American investment today? I would ask my friend, the chairman of the committee, is he aware of any country in the world that would refuse American investment?

Mr. ROTH. I would say to the contrary, every country is eager to have American investment.

Mr. MOYNIHAN. They spend their time sending us delegations.

Mr. ROTH. Absolutely.

Mr. MOYNIHAN. There may have been a time—yes, there was, in the era of a planned economy, in the era of the Soviet Union, in another era. Are we debating another era?

We are going to ask the President, under one of these amendments—I have lost track which one—to negotiate 147 reciprocal trade treaties—147—and then, sir, in one of them—I will not say which, because I do not think it would be quite fair—but in one of them, for the third act of imported children's wear, that somehow involves textiles made in the Far East or wherever, the violation is punishable by a fine of $1 million and 5 years in prison.

Do we send people to prison for the mislabeling of cotton goods? I mean, heavens, a little balance, a little perspective. We are talking about marginal producers on the margin of the world economy, trying to give them a hand. In the case of the Caribbean Basin Initiative, we are trying to do what President Reagan said was only fair and balanced: If we were going to have the North American Free Trade Agreement, it should not close out Central America and the Caribbean.

I hope we will proceed as long as we have to with such amendments, but I hope some perspective will be in order.

The PRESIDING OFFICER. The Chair would note, in order to comply with the time agreement previously agreed to, the Conrad amendment would be called up at this time.

Mr. CONRAD addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

AMENDMENT NO. 2359

(Purpose: To amend the Trade Act of 1974 to provide trade adjustment assistance to farmers)

Mr. CONRAD. Mr. President, I call up my amendment, the Conrad-Grassley amendment, amendment No. 2359, that has been previously filed at the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from North Dakota [Mr. CONRAD], for himself and Mr. GRASSLEY, proposes an amendment numbered 2359.

Mr. CONRAD. I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under ''Amendments Submitted.'')

Mr. CONRAD. Mr. President, I ask my colleagues to give full consideration to this amendment. I consider this a fairness amendment because this amendment, which would extend trade adjustment assistance to farmers, says we ought to be giving them the protection we already give other folks who work for a living.

Right now we have trade adjustment assistance on the books. It is law. If you are working on a job, and you lose your job because of a flood of unfairly traded imports, you have a chance to get back on your feet. But farmers are left out. Farmers are excluded because farmers do not lose their job when they are faced with a flood of unfairly traded imports. Instead, they are faced with a dramatic drop in income.

Instead, I would like to run through a number of charts that show the conditions facing American farmers today.

This shows what has happened to prices over the last 53 years. These are wheat and barley prices. These are in real terms, inflation adjusted, constant dollars. We have the lowest prices in 53 years. One reason is a flood of unfairly traded Canadian imports.

This is the result. This chart shows what the cost of production is. That is the green line. The red line shows what prices for wheat have been over the last 3 years.

Colleagues, wheat prices are far below the cost of production and have been for over 3 years, again partly because of a flood of Canadian imports unfairly traded.

The question is, Are we going to help farmers the same way we help other workers who are faced with this condition? I hope we say yes. I hope we recognize that it is simple fairness to extend the same protection to farmers we extend to other folks who are working for a living in this country.

This amendment is carefully crafted. It is limited to $10,000 per farmer per year with an overall cap cost of $100 million that is fully and completely paid for. We have an offset.

Interestingly, it is one of those rare circumstances where our offset is supported by the industry that would be paying. We have an offset that affects the real estate investment trust. It is supported by the real estate industry. They are willing to pay a little something more to get what they consider is a fair result. It is the same provision that was in the President's tax bill. It is the same provision that has had support on other matters before the Senate but not included in any final packages.

This matter is completely and fully offset. It simply allows that in a circumstance where the price of a commodity has dropped by over 20 percent as certified by the Secretary of Agriculture and where imports contributed importantly to this price drop, farmers will then be eligible for trade adjustment assistance.

This is the same standard the Department of Labor uses to determine whether workers are eligible for trade adjustment assistance when they lose their jobs. In order to be eligible, farmers would have to demonstrate their net farm income has declined from the previous year, and they would need to meet with the Extension Service to plan how to adjust the import competition.

If all of those conditions are met, training and employment benefits available to workers would then be available to farmers as an option.

My colleague, Senator GRASSLEY, is the cosponsor of this amendment and has played a key role in its development. I know he has words he would like to say about this measure as well.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I rise today in support of an amendment I am sponsoring with Senator CONRAD to establish a new, limited Trade Adjustment Assistance Program for farmers and fishermen. There are two key reasons why this new program is so necessary, and why Senator CONRAD and I are offering this legislation.

The first and most important reason is that the existing Trade Adjustment Assistance Program simply does not work for farmers. When a sudden surge in imports of an agricultural commodity dramatically lowers prices for that commodity, and sharply reduces the net income for family farmers, these farmers are undeniably hurt by import competition.

They are just as hurt as steel workers, or auto workers, or textile workers who experience the same thing. But because farmers lose income, but not their jobs, they do not qualify for the existing Trade Adjustment Assistance for workers program. The reduction in family farm income from important competition hurts farmers in a very serious way, because it comes at a time when farmers desperately need cash assistance to repay their operating loans and adjust to the import competition.

The second reason why I offer this legislation is to correct an inequity that should not continue. The inequity is that it is clear that President Kennedy, who designed the original Trade

Adjustment Assistance program as part of the Trade Expansion Act of 1962, clearly intended farmers to benefit from the program, just as much as other workers hurt as a result of a federal policy to reduce barriers to foreign trade. In his message to the Congress on the Trade Expansion Act of 1962, President Kennedy spoke about his Trade Adjustment Assistance Program. In fact, in his March 12, 1962 message, he referred to farmers at least three times.

Here is part of what President Kennedy said.

I am recommending as an essential part of the new trade program that companies, farmers, and workers who suffer damage from increased foreign import competition be assisted in their efforts to adjust to that competition. When considerations of national policy make it desirable to avoid higher tariffs, those injured by that competition should not be required to bear the brunt of the impact. Rather, the burden of economic adjustment should be borne in part by the Federal Government.

What President Kennedy said was so important I want to emphasize what he said: those who are injured by the national trade policies of the United States should not bear the brunt of the impact. And trade adjustment assistance should be available for companies, farmers, and workers.

Mr. President, this is simply an issue of fairness. Basic American fairness. The United States has lead the world in liberalizing trade. We started this process of global trade liberalization in 1947, when most of the world was reeling from the enormous physical and economic devastation of World War Two. We saw then that the way to avoid this type of catastrophe in the future was to bring nations closer together through peaceful trade and open markets. That process has been spectacularly successful. Through eight series, or rounds, of multilateral trade negotiations, we have scrapped ten of thousands of tariffs. Many non-tariff trade barriers have been torn down. Others have been sharply reduced. The result of 50 years of trade liberalization has been the creation of enormous wealth and prosperity, and millions of new jobs. But not everyone has prospered.

Some have been injured by this deliberate policy of free trade and open markets. And that's exactly why President Kennedy and the 87th Congress created the Trade Adjustment Assistance program. To help those injured by our national policy of free trade and open markets adjust to their changing circumstances with limited assistance.

President Kennedy's Secretary of Labor, Arthur J. Goldberg put it the best. Secretary Goldberg said:

As a humane Government, we recognize our responsibility to provide adequate assistance to those who may be injured by a deliberately chosen trade policy . . . It is because of the desire to do justice to the people who are affected. . .

Mr. President, we cannot do justice by helping only some of the people affected by our national trade policy. We cannot do justice by ignoring farmers. We must do justice by ignoring farmers. We must reach out to everyone, including farmers, just as President Kennedy envisioned. Now, I know there are some in this Chamber who believe that we should wait to make changes in the Trade Adjustment Assistance program until we can do a full review of the entire TAA program.

I do not agree with that view, for a very fundamental reason. We are only about four weeks away from the start of the WTO Ministerial Conference in Seattle. In Seattle, the United States will help launch the ninth series, or round, of multilateral trade negotiations since 1947.

A key goal of the Seattle Ministerial will be to liberalize world agricultural markets even more. This will mean increased import competition for American agricultural products, not less. Farmers have always been among the strongest supporters of free trade, because so much of what they produce is sold in the international marketplace.

The income our farm families earn in these foreign markets sustains our economy, and contributes greatly to our national well-being. But farm support for free trade cannot, and should not, be taken for granted.

As I said in support of this legislation last week, we are in the worst farm crisis since the depression of the 1930s. Now, low commodity prices are not caused exclusively by import competition. But it is certainly a contributing factor to these historically low prices.

If we lose the support of the farm community for free trade, Mr. President, I doubt that we will be able to win congressional approval for any new trade concessions that may be negotiated in the new round of trade talks. So this is all about fairness. It is about equality. It is about common sense.

For all of these reasons, and because, as Labor Secretary Goldberg said 37 years ago, we must recognize our responsibility as a humane government, I strongly urge my colleagues to support this amendment.

Mr. MURKOWSKI. Mr. President, I am pleased to support the amendment (#2359) proposed by Senators CONRAD and GRASSLEY which would tailor the Trade Adjustment Assistance program so that it helps farmers and fishermen—two groups that are not adequately assisted under the current TAA program.

I voted for this amendment at the Finance Committee markup, and was disappointed that it failed by a narrow margin. But I am pleased that Senators CONRAD and GRASSLEY persevered in pushing this important issue forward. I also want to thank the authors of this amendment for working with my staff to ensure that the provisions cover fishermen in Alaska and Louisiana and other areas along with farmers in the Midwest because these two groups face similar problems.

Finally, I thank the Chairman and Ranking Member of the Finance Committee, Senator ROTH and Senator MOYNIHAN, for accepting this amendment today. I urge them to insist on retaining this language at conference with our House colleagues.

I have long been an advocate of opening markets abroad for U.S. exporters, and putting in place rules to facilitate trade between the nations. I voted for the NAFTA and the Uruguay Round. I support the Finance Committee managers' amendment to the underlying bill which will change our focus in Africa from aid to trade, will give the Caribbean nations parity in their trade with the United States. In addition, I support reauthorizing two important programs; the Trade Adjustment Assistance program and the Generalized System of Preferences program.

But even as we pursue liberalized trade initiatives, we must work harder to help Americans adjust to a changing business climate that is often affected by events half way around the World. For while we can take pride in an historically low unemployment rate nationwide that occurred partly as a result of our open and innovative workplace and trading rules, certain sectors and certain parts of the country are still facing employment losses or income losses as a result of low worldwide commodity prices. Fishermen and Farmers fall in this category.

Let me just use one example. An Alaskan fishing Sockeye Salmon was getting $1.18 per pound in 1996. But last year, that price had sunk to 85 cents—a 28% drop, and a 17% drop over the five-year average. And the drop came in the face of rising imports. Foreign imports of seafood have steadily risen since 1992 while exports have steadily fallen over the same period.

The current TAA program is better suited to traditional manufacturing firms and workers, than to farmers and fishermen. When imports cause layoffs in manufacturing industries, workers are eligible for TAA. In my own state of Alaska, TAA has played an important role both in the oil industry and for the seafood processors. But an independent fisherman does not go to the dock and receive a pink slip, he goes to the radio and hears the latest price for salmon, and he knows that his family's livelihood is threatened. TAA has not been available in his circumstances.

As the authors of this amendment have explained, the TAA for Farmers and Fishers would set up a new program where individual farmers could apply for assistance if two criteria are met.

First, the national average price for the commodity for the year dropped more than 20% compared to the average price in the previous five years.

Second, imports ''contributed importantly'' to the price reduction.

If these two criteria are met, fishermen would be eligible for cash benefits based on the fishermen's loss of income. The cash benefits would be

capped at $10,000 per fisherman. Retraining and other TAA benefits available to workers under TAA also would be available to fishermen interested in leaving for some other occupation.

Mr. President, I believe that this change in the TAA program is long overdue. Again, I want to stress that the traditional TAA program still plays an important role, and I do not want to diminish its current role—but to expand it. The TAA program averts the need for more money in unemployment compensation, welfare, food stamps and other unemployment programs—in short, it keeps Americans employed and able to support themselves and their families.

Let me end, Mr. President, by returning to a few points on the underlying bill. It is unfortunate, in my view, that this might be the only piece of trade legislation that we move this entire Congress.

As you might guess, trade with Africa and the Caribbean Basin countries is not that important to Alaska. I am deeply disappointed that we are not looking at a WTO agreement with China. I continue to believe that President Clinton made a mistake by rejecting the deal that was put together in April, and might not ever get put back together in the same manner. I am also deeply disappointed that we have not considered trade negotiating authority that would be a strong vote of confidence as our negotiators head to the Seattle Round.

Nevertheless, I commend the Chairman of the Finance Committee, Senator ROTH, and the Ranking Member, Senator MOYNIHAN, and our Majority Leader for bringing this legislation to the floor. Perhaps, if we are able to move forward on this piece of legislation, the logjam will be broken. Let's hope.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. Mr. President, in view of the very persuasive arguments of my two colleagues, I ask unanimous consent, notwithstanding the prior consent agreement regarding the Conrad-Grassley amendment, that the amendment be agreed to.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, I join my chairman in saying this is a valuable amendment. Having been involved in drafting the legislation in 1962 which created the Trade Adjustment Assistance Act, I think this is an important extension of the same principle.

It is altogether agreeable to this Senator. I hope there will be no objection.

Mr. GRASSLEY. We thank the Senator very much.

Mr. MOYNIHAN. Thank me?

Mr. GRASSLEY. All of you.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 2359) was agreed to.

Mr. CONRAD. Mr. President, I thank the chairman and ranking member for their support of the amendment. We appreciate it very much.

I think this amendment is a matter of fairness. I deeply appreciate the response today. I hope this will prevail through the conference. I have the utmost confidence in the chairman's ability to persuade our colleagues over on the House side of the merits of this amendment.

I again thank the chairman. I thank our ranking member, who all along has recognized that this is a logical extension of trade adjustment assistance we provide other workers in our economy.

I thank also my cosponsor, Senator GRASSLEY from Iowa. He and I have worked together closely not only on this amendment but many other matters as well. I thank him very much for his leadership and support.

I thank the Chair.

I yield the floor.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, I ask unanimous consent that the Senator from Illinois, Mr. DURBIN, be made an original cosponsor of amendment No. 2408 relating to anticorruption efforts.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2406

(Purpose: To ensure that the trade benefits accrue to firms and workers in sub-Saharan Africa)

Mr. FEINGOLD. Mr. President, I call up my amendment numbered 2406.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Wisconsin (Mr. FEINGOLD) proposes an amendment numbered 2406.

Mr. FEINGOLD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike Sec. 111 and insert the following:

SEC. 111. ELIGIBILITY FOR CERTAIN BENEFITS.

(a) IN GENERAL.—Title V of the Trade Act of 1974 is amended by inserting after section 506 the following new section:

"SEC. 506A. DESIGNATION OF SUB-SAHARAN AFRICAN COUNTRIES FOR CERTAIN BENEFITS.

"(a) AUTHORITY TO DESIGNATE.—

"(1) IN GENERAL.—Notwithstanding any other provision of law, the President is authorized to designate a country listed in section 4 of the African Growth and Opportunity Act as a beneficiary sub-Saharan African country eligible for the benefits described in subsection (b), if the President determines that the country—

"(A) has established, or is making continual progress toward establishing—

"(i) a market-based economy, where private property rights are protected and the principles of an open, rules-based trading system are observed;

"(ii) a democratic society, where the rule of law, political freedom, participatory democracy, and the right to due process and a fair trial are observed;

"(iii) an open trading system through the elimination of barriers to United States trade and investment and the resolution of bilateral trade and investment disputes; and

"(iv) economic policies to reduce poverty, increase the availability of health care and educational opportunities, expand physical infrastructure, and promote the establishment of private enterprise;

"(B) does not engage in gross violations of internationally recognized human rights or provide support for acts of international terrorism and cooperates in international efforts to eliminate human rights violations and terrorist activities.

"(C) subject to the authority granted to the President under section 502 (a), (d), and (e), otherwise satisfies the eligibility criteria set forth in section 502;

"(D) has established that the cost or value of the textile or apparel product produced in the country, or by companies in any 2 or more sub-Saharan African countries, plus the direct costs of processing operations performed in the country or such countries, is not less than 60 percent of the appraised value of the produce at the time it is entered into the customs territory of the United States; and

"(E) has established that not less than 90 percent of employees in business enterprises producing the textile and apparel goods are citizens of that country, or any 2 or more sub-Saharan African countries.

"(2) MONITORING AND REVIEW OF CERTAIN COUNTRIES.—The President shall monitor and review the progress of each country listed in section 4 of the African Growth and Opportunity Act in meeting the requirements described in paragraph (1) in order to determine the current or potential eligibility of each country to be designated as a beneficiary sub-Saharan African country for purposes of subsection (a). The President shall include the reasons for the President's determinations in the annual report required by section 105 of the African Growth and Opportunity Act.

"(3) CONTINUING COMPLIANCE.—If the President determines that a beneficiary sub-Saharan African country is not making continual progress in meeting the requirements described in paragraph (1), the President shall terminate the designation of that country as a beneficiary sub-Saharan African country for purposes of this section, effective on January 1 of the year following the year in which such determination is made.

"(b) PREFERENTIAL TARIFF TREATMENT FOR CERTAIN ARTICLES.—

"(1) IN GENERAL.—The President may provide duty-free treatment for any article described in section 503(b)(1) (B) through (G) (except for textile luggage) that is the growth, product, or manufacture of a beneficiary sub-Saharan African country described in subsection (a), if, after receiving the advice of the International Trade Commission in accordance with section 503(e), the President determines that such article is not import-sensitive in the context of imports from beneficiary sub-Saharan African countries.

"(2) RULES OF ORIGIN.—The duty-free treatment provided under paragraph (1) shall apply to any article described in that paragraph that meets the requirements of section 503(a)(2), except that—

"(A) if the cost or value of materials produced in the customs territory of the United States is included with respect to that article, an amount not to exceed 15 percent of the appraised value of the article at the time it is entered that is attributed to such United States cost or value may be applied toward determining the percentage referred to in subparagraph (A) of section 503(a)(2); and

"(B) the cost or value of the materials included with respect to that article that are produced in one or more beneficiary sub-Saharan African countries shall be applied in determining such percentage.

''(c) BENEFICIARY SUB-SAHARAN AFRICAN COUNTRIES, ETC.—For purposes of this title, the terms 'beneficiary sub-Saharan African country' and 'beneficiary sub-Saharan African countries' mean a country or countries listed in section 4 of the African Growth and Opportunity Act that the President has determined is eligible under subsection (a) of this section.''.

''(c) BENEFICIARY SUB-SAHARAN AFRICAN COUNTRIES, ETC.—For purposes of this title, the terms 'beneficiary sub-Saharan African country' and 'beneficiary sub-Saharan African countries' mean a country or countries listed in section 104 of the African Growth and Opportunity Act that the President has determined is eligible under subsection (a) of this section.''.

(b) WAIVER OF COMPETITIVE NEED LIMITATION.—Section 503(c)(2)(D) of the Trade Act of 1974 (19 U.S.C. 2463(c)(2)(D)) is amended to read as follows:

''(D) LEAST-DEVELOPED BENEFICIARY DEVELOPING COUNTRIES AND BENEFICIARY SUB-SAHARAN AFRICAN COUNTRIES.—Subparagraph (A) shall not apply to any least-developed beneficiary developing country or any beneficiary sub-Saharan African country.''.

(c) TERMINATION.—Title V of the Trade Act of 1974 is amended by inserting after section 506A, as added by subsection (a), the following new section:

''SEC. 506B. TERMINATION OF BENEFITS FOR SUB-SAHARAN AFRICAN COUNTRIES.

''In the case of a country listed in section 104 of the African Growth and Opportunity Act that is a beneficiary developing country, duty-free treatment provided under this title shall remain in effect through September 30, 2006.''.

(d) CLERICAL AMENDMENTS.—The table of contents for title V of the Trade Act of 1974 is amended by inserting after the item relating to section 505 the following new items:

''506A. Designation of sub-Saharan African countries for certain benefits.
''506B. Termination of benefits for sub-Saharan African countries.''.

(e) EFFECTIVE DATE.—The amendments made by this section take effect on October 1, 2000.

Mr. FEINGOLD. Mr. President, as the Senate considers the African Growth and Opportunity Act, we have to keep asking ourselves the key question: Growth and opportunity for whom?

It is an important question because the Africa trade legislation we are now considering does not require that Africans themselves be employed at the firms that are going to receive the trade benefits. In fact, AGOA, as it now stands, actually takes a step backwards for Africa. The GSP program requires that 35 percent of a product's value added come from Africa, but this legislation actually lowers the bar to 20 percent.

Under this scheme, it is possible that a product would meet the 20-percent requirement and qualify for AGOA benefits. For example, if non-African workers physically standing in West Africa simply sewed a ''Made in Togo'' label on apparel and then shipped it to the United States, that is all they would have to do. It makes something of a mockery of how this is supposed to help African countries and African workers.

This plan undercuts the potential for trade to boost African employment and encourages transshipment of goods from third countries seeking to evade quotas. As I said before on the other amendment, the U.S. Customs Service has determined that for every $1 billion of illegally transshipped products that enter the United States, 40,000 jobs in the textile and apparel sector are lost.

So this amendment would also fight transshipment but in another way, requiring that 60 percent of the value added to a product has to come from Africa. It is a significant improvement over the 20 percent of the bill. I think it is an appropriate improvement over the 35 percent of the GSP standard.

This amendment also emphasizes African opportunities. It requires that any textile firm receiving trade benefits must employ a workforce that is 90-percent African. This doesn't mean that all 90 percent of the people have to come from a particular African country where the company might be or the activity might be, but they do have to be citizens of an African country.

This provision holds out an incentive to African governments, businesses, and civil society to develop their human resources. That would not only be good for Africa; it would be good for America, as well as our trading partners in the region gaining economic strength.

Without these amendments, this legislation offers neither growth nor opportunity to Africans themselves. In fact, unless the Senate makes these changes, we will simply see a continuation of a disturbing trend.

In the first 4 years of this decade, corporate profits in Africa average 24 to 30 percent compared with 16 to 18 percent for all developing countries. But real wages in Africa continue to fall, as they have for nearly three decades now. The number of African families unable to meet their basic needs has doubled. It would be irresponsible to pass an African trade bill that reinforced this dangerous disconnect between corporate profits and African wages.

I know my colleagues who support the African Growth and Opportunity Act do so because they genuinely want to engage with the continent. I share their goal, and I believe this amendment would push U.S. Africa policy in that direction by linking economic growth and human development protecting both African and American interests.

I ask my colleagues to support this amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. Mr. President, I rise in opposition to Senator FEINGOLD's amendment which incorporates provisions of S. 1636, the HOPE for Africa Act.

Frankly, this legislation would be better described as the ''No Growth and No Opportunity Act.'' Even a cursory reading of the provisions reflect an intent to throttle any form of productive investment in Africa. Rather than offering the nations of sub-Saharan Africa the opportunity to lift themselves out of poverty on their own terms, this bill says Africa will have to do so on our terms or not at all.

Let me explain why.

The sponsors of the bill have made two principal arguments on its behalf: First, that it would expand trade; second, that it would yield responsible investment in Africa. In fact, the bill would have the opposite effect on both counts. The bill would actually impose greater restrictions on trade with Africa than would currently be the case and would actively discourage any form of private investment.

For example, under the current GSP program, the rules require that products from beneficiary countries must contain 35-percent value added for the beneficiary country to qualify; and the HOPE for Africa bill would raise that to 60 percent, which would effectively end any prospects for firms in African countries that hope to enter into production-sharing arrangements for the assembly of products in Africa.

Current law does not impose any requirement that all employees of an enterprise be from the beneficiary country for the company's product to qualify. But the HOPE for Africa bill would dictate that 90 percent of the employees of any enterprise producing textile and apparel goods must be citizens of beneficiary countries. In other words, no legal residents or immigrants would be employed in these plants above a certain set limit.

How, I wonder, would the U.S. Customs Service enforce these provisions? Would U.S. Customs have to investigate and certify every plant in advance? Would Customs have to require reports on all new hires by the individual enterprise? Or would Customs have to be involved in the individual firm's hiring decisions from the start in order to be sure the firm was precisely at 90-percent employment from beneficiary countries?

In short, the amendment does exactly the opposite of what it purports to do. I therefore urge my colleagues to vote against this amendment.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized.

Mr. FEINGOLD. Mr. President, in response to the chairman's remarks, I believe those provisions would be enforceable. We already have a mechanism where an import's country of origin must be verified. The consent must also be verified. I suggest we use the same mechanisms in place to certify African value content. In fact, it was indicated under GSP that it is a 35-percent requirement and under this bill is a 20-percent requirement.

The question doesn't seem to be whether we can enforce it or identify it; the question seems to be, What should the percentage be?

In response to the broader point that somehow this is going to be unfair to the countries of Africa, it is just the opposite. What we are trying to avoid

with this amendment is, in effect, the exploitation of African countries as a way for other countries to get away with something they can do right now very easily; for example, the Chinese willingness here to use transshipment through African companies to undercut American jobs. All we are trying to do is have a reasonable assurance, in two ways, that Africans are actually having a chance to do the work and they are actually contributing to the product.

A 60-percent requirement is not 100 percent, it is a reasonable level. It still leaves room for joint activities with other entities. And a 90-percent requirement is not restricted, as the chairman has suggested, to one country, but 90 percent have to be African citizens of any one of the over 50 African countries. It still leaves a 10-percent possibility for workers from other countries. If we don't do this, this proposal has nothing to do with making sure African workers get an opportunity to have a decent living and to have these economic opportunities. This bill has to be a two-way street at some level, Mr. President; it is not that now. This amendment is a good-faith effort to make it more balanced and to be fairer to African workers. I strongly suggest it is a modest step that needs to be taken to improve this bill.

I yield the floor.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. MOYNIHAN. Mr. President, I don't wish to suggest there is anything but good intentions behind all these measures. But to introduce the idea of—is it citizenship we are talking about, ancestry, or what? What is an African, sir? South Africa would be part of the arrangements in this African Growth Act.

Suppose there was a plant in Johannesburg that was owned by the descendants of Dutch settlers who arrived in the 17th century; some of the managers were Indian persons who had emigrated in the 19th century under the British Empire—under the British Empire, people moved all over the world. We recently had the great honor of meeting, just off the Senate Chamber, with heads of state from the Caribbean area, and the President of Trinidad and Tobago is of Indian ancestry. That is very normal. Indians moved to California, having gone to the British Empire and gone to Canada and were coming down. And suppose there were Zulu workers there—African, obviously, but they are more recent arrivals than most.

Mr. FEINGOLD. Will the Senator yield for a question?

Mr. MOYNIHAN. I am happy to.

Mr. FEINGOLD. I wish to ask a question. Our bill only provides that 90 percent of the people who work in the firm have to be citizens of an African country. It does not suggest in any way anything about their ethnic or racial background. I am very sensitive to that. I wonder if the Senator is aware that that is the only requirement, so anyone who is a citizen of any one of the African countries, regardless of their background, would be within the 90 percent.

Mr. MOYNIHAN. I am aware of that, and I recognize that is a very reasonable thought. But I do know, from some experience in that part of the world, that citizenship is not a standard statutory entitlement of the individual, as it would be—well, even in our country, if you come here, you have to go through a great deal to become a citizen. If you are born here, you already are. That can be a very ambiguous situation, sir. I don't know.

May I ask my friend, are Mauritians Africans or Indians? One of the big issues, I can say to the Presiding Officer, is that in Mauritius a considerable textile trade has developed with Mauritian sponsors and Chinese migrant workers. Are Mauritians Africans?

Mr. FEINGOLD. If you are suggesting they are citizens of Mauritius, for the purposes of this bill, they would certainly qualify as people who could be counted within the 90 percent.

Mr. MOYNIHAN. If you are on the Indian Ocean, how sure are you that you are in Africa?

Mr. FEINGOLD. It is the definition of African countries as set forth in the bill. I believe that would be in the list of countries.

Mr. MOYNIHAN. I get to the point, and I don't make it in any hostile manner. I just say the complexities of the world, just that part of it, are very considerable. I am reluctant to see such categories enter trade law. No one has ever asked whether the products of the American clothing workshops in New York City were made by American citizens. There surely would have been a time when the majority—or many of them—were not American citizens at all. They would have come from what would become Poland, and there was no concept of citizenship for the occupants of the shtetls. I just suggest there is considerable ambiguity. I don't wish to press the matter.

I yield the floor.

Mr. FEINGOLD. Mr. President, in response to that, I recognize the argument regarding American history. Surely there is a different scenario when we talk about African countries.

The problem I am trying to address—and I appreciate the Senator's point—is that we are fearful, with good reason, that African countries will be used as a conduit to allow the kind of activity the Chinese entities obviously intend to pursue, which is to essentially run these products through an African country, stamp the label on it, not really let Africans play a significant role in producing the product, and undercut our quota laws. That is the reason for doing this. I don't think it is particularly difficult to administer or to do when we suggest we are talking here about citizenship of an African country without any other criteria.

We do allow for migration in Africa. We allow for Africa seeking out opportunities where they find them. We are trying to make sure this is some nexus between this legislation and the opportunities for Africans to benefit, as well as large corporations that may benefit. This is an attempt to make the bill better. I think it is one that is not too difficult to achieve.

I yield the floor.

Mr. MOYNIHAN. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. GORTON). The clerk will call the roll.

The legislative assistant proceeded to call the roll.

Mr. HOLLINGS. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HOLLINGS. Mr. President, let me join in with the distinguished Senator from Wisconsin.

One of the areas I am trying to find with respect to the amount of work or the amount of production or percent of production of an article, it was found by merely placing the label on the article because one had to unload, load back, and assimilate in a particular way in order to get the label. The mere labeling was considered to be 20 percent. That would have complied with parts of this particular CBI/Sub-Sahara bill.

The requirement of the Senator from Wisconsin at 60 percent makes sure we can't get this specious argument about the percentage and the extra work of loading and unloading and putting it through a different set of machinery, tools, adding a label. That constitutes 20 percent. I understand the intent is to get investment and jobs with respect to the Caribbean Basin and with respect to the sub-Sahara countries. There is no question it is well considered. It ought to be at least 60 percent, as called for by Senator FEINGOLD's amendment.

With respect to my colleague, the distinguished senior Senator from New York, dramatically asking the question, Can anybody name a country where they don't want American investment? That is very easily done. Go to Japan. They started this. Companies still can't get investment there unless the investment doesn't pay off as an investment. Companies have to have a license technology, make sure the jobs are there, make sure the profits stay there.

We have been trying to invade the Japanese market for 50 years without success. They have their Ministry of Finance. They have their Ministry of Industry and Trade (MITI). There is no question, companies can't get in there.

Go to China. Ask Boeing how they got in China. Read the book ''One World Ready or Not.'' It was pointed out, 40 percent of the Boeing 777 parts are not made up in Seattle or anywhere in the United States; they are made by investments in China. How do those investments happen? They said yes, you

can invest here if you license the technology, if you produce the parts and create the jobs here and keep your profits here. That is fine business.

To the rhetorical question, Does anyone know of a country that doesn't want the American dollar? That is what they are talking about. I can tell Members, as we look at the stock market, they are going from the American dollar to the Japanese yen or to the Deutsche mark. We will be devaluing that dollar shortly at the rate of $300 billion trade deficit and $127 billion fiscal deficit. We did not run a surplus at the end of September; we ran a deficit of $127 billion. That is according to the Treasury's own figures we submitted.

Yes, I can answer that question readily. These countries don't want investment unless you can get what I am trying to get. I am trying to get the jobs. I am trying to get the investment.

Don't tell a southern Governor how to carpetbag. We have been doing that for years on end. I know it intimately. I have traveled all over this country trying to solicit and bring industry to South Carolina. I was the first Governor in the history of this country to go to Latin America, and later took a gubernatorial mission after the election in 1960 with some 27 State Governors, trying to get investment into South Carolina. I traveled to Europe. I called on Michelin in June of 1960. Now we have beautiful plants and the North American headquarters of Michelin. We can go down the list.

We know how to do it, and the others are doing it to us. We understand that. However, there is a degree of takeover, so to speak, or export of these jobs. We cannot afford it, particularly in the textile area. It will happen in all the other hard industries, as has been characterized by Fingleton, if this continues.

Rather than talk about the agriculture getting a special trade representative—agriculture is never left out. The Secretary of Agriculture is always there, the special trade representative, the export-import financing is there; everything is there for agriculture. I don't mind them putting this amendment on there, but it points up, if Members get politically the right support, they can get their amendment accepted around here even though it is not germane and it is not relevant.

However, if one gets a good amendment as required, as both the chairman of the Finance Committee and the ranking member required in the NAFTA bill, it was included in the NAFTA bill. Fortunately, the ranking member did vote with us. The chairman of the Finance Committee went along and supported the side agreements with respect to labor, the side agreement with respect to the environment, and the reciprocity from both Canada and Mexico.

The PRESIDING OFFICER. The Senator from South Carolina has used his hour under cloture.

Mr. ROTH. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

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

The PRESIDING OFFICER. Without objection, it is so ordered.

There are 4 minutes equally divided before the vote.

AMENDMENT NO. 2379

Mr. HOLLINGS. Mr. President, the Senator from Delaware said this amendment would discourage investments. The very same amendment was included at his behest in the Finance Committee on NAFTA. It has not discouraged investment whatever in Mexico. On the contrary, the Koreans, the Chinese, Taiwanese, the Americans, everyone is investing like gangbusters down in Mexico.

That is what they talk about, the success of NAFTA. So this is worded to include the language exactly as they have included it in the NAFTA agreement. Could it be on labor rights that this body wants to put a stamp of approval on a situation such as the example I gave of a 13-year-old young girl working 100 hours at 13 cents an hour until 3 in the morning? Do we want that kind of thing going on?

I am sure we do not want to put the stamp of approval on the threats they will be killed when they ask for certain labor considerations down in Honduras. I went through all of those particular examples.

We do not want to invest in scab labor. What we want to invest in is an opportunity and an improved lot with the Caribbean Basin Initiative here. So it is, the amendment should not be tabled. It is in force, working with respect to NAFTA. There is no reason why it cannot work in this particular place.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. Mr. President, I rise to urge my colleagues to table the amendment. I do so for two reasons. First, as I have stated previously, the goal of this legislation is to encourage investment in Africa, the Caribbean, and Central America. This amendment would undermine that effort by requiring the difficult negotiations of side agreements that would delay the incentive the bill would create. That, I argue, is of no help to these developing countries and will not lead to any great improvement in their labor standards.

The second reason I oppose the amendment is that it essentially depends on economic sanctions to work. Its threat is that the economic benefits of the beneficiary countries will be cut off if the countries do not comply with the terms of some agreement yet to be negotiated. That not only undercuts the investment incentive by increasing the uncertainty of a country's participation in the program, but it also does little to raise labor standards. For that reason, I urge this amendment be tabled.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, I join the chairman in urging this matter be tabled. We have a fine underlying bill and we hope to take it to conference with as little encumbrance as can be, certainly none to which there would be instant objection on the House side.

I yield the floor.

Mr. ROTH. Mr. President, under the provisions of the previous consent, I now move to table the amendment.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table amendment No. 2379.

The yeas and nays have been ordered.

The clerk will call the roll.

The legislative assistant called the roll.

Mr. NICKLES. I announce that the Senator from Arizona (Mr. MCCAIN) and the Senator from New Hampshire (Mr. GREGG) are necessarily absent.

The result was announced, yeas 54, nays 43, as follows:

[Rollcall Vote No. 345 Leg.]

YEAS—54

Abraham	Fitzgerald	Lugar
Allard	Frist	Mack
Ashcroft	Gorton	McConnell
Baucus	Graham	Moynihan
Bennett	Gramm	Murkowski
Bond	Grams	Nickles
Breaux	Grassley	Roberts
Brownback	Hagel	Roth
Bunning	Hatch	Santorum
Burns	Hutchinson	Sessions
Cochran	Hutchison	Smith (NH)
Coverdell	Inhofe	Smith (OR)
Craig	Jeffords	Specter
Crapo	Kerrey	Stevens
DeWine	Kyl	Thomas
Dodd	Landrieu	Thompson
Domenici	Lieberman	Voinovich
Enzi	Lott	Warner

NAYS—43

Akaka	Feingold	Murray
Bayh	Feinstein	Reed
Biden	Harkin	Reid
Bingaman	Helms	Robb
Boxer	Hollings	Rockefeller
Bryan	Inouye	Sarbanes
Byrd	Johnson	Schumer
Campbell	Kennedy	Shelby
Cleland	Kerry	Snowe
Collins	Kohl	Thurmond
Conrad	Lautenberg	Torricelli
Daschle	Leahy	Wellstone
Dorgan	Levin	Wyden
Durbin	Lincoln	
Edwards	Mikulski	

NOT VOTING—2

Gregg	McCain

The motion was agreed to.

Mr. ROCKEFELLER addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia.

CHANGE OF VOTE

Mr. ROCKEFELLER. Mr. President, on Hollings amendment No. 2379, the junior Senator from West Virginia voted ''aye'' and wishes to change his vote to ''nay.'' I ask unanimous consent to be able to change my vote. My

change of vote would have no effect on the outcome of the vote.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

(The foregoing tally has been changed to reflect the above order.)

Mr. ROTH. I move to reconsider the vote.

Mr. MOYNIHAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2428

Mr. MOYNIHAN. Mr. President, I believe a vote is scheduled.

The PRESIDING OFFICER (Mr. HAGEL). The Senator is correct.

There are 4 minutes evenly divided for debate prior to the vote.

Who yields time?

Mr. FEINGOLD addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, this amendment simply intends to try to make sure that the African portion of this legislation does not become a mechanism whereby governments or businesses from China, for example, ship their goods through Africa as a way to evade American quotas.

This is another process called transshipment. During the debate, I pointed out that on a web site of the Chinese Government, they essentially say this is exactly what they are going to do. It is what they are already doing.

We have put some responsibility on importers. American importers will have the benefit of this bill to make sure they vouch for the legitimate content of this product having some characteristic of being actually from Africa. It is a very important provision to make sure this bill has some balance and it doesn't threaten American jobs. The figures I quoted indicate that for every $1 billion in illegally transshipped goods, it costs about 40,000 American jobs in the textile and related areas.

This is a very straightforward amendment that opposes the practice of transshipment I think every Member of this body would like to support.

I yield the floor.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. Mr. President, I rise in opposition to the amendment and ask that it be tabled.

First, the Finance Committee bill already contains the specifically enhanced transshipment provisions beyond those contained in the House bill. The Finance Committee bill would suspend exporters and importers from the benefits of the program for 2 years if found to have transshipped in violation of the rule.

Second, the Customs Service already has extensive power to combat transshipment. Let me be clear what transshipment is. It is Customs law. Customs already has the enforcement power to address these concerns.

Mr. President, I ask unanimous consent that the remaining votes in this series be limited to 10 minutes in length.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Senator from New York.

Mr. MOYNIHAN. Mr. President, I would like to associate myself with the chairman and note that this measure, among other things, provides for up to 5 years imprisonment for a third dispute. We don't want to criminalize international trade.

Mr. ROTH. Mr. President, let me add that the Senator from Wisconsin has done nothing to address my concerns regarding the constitutional infirmity of his amendment. As I have already stated, my colleague's amendment would expose individuals to criminal and civil penalties without the due process required by the U.S. Constitution. That is simply unconscionable.

I therefore urge my colleagues to vote to table the amendment.

Mr. FEINGOLD. Mr. President, I wish to respond to both the chairman and the ranking member.

They have suggested, it seems to me, that somehow this provision automatically involves imprisonment. That is simply not correct. Under the first offense, there is only a civil penalty involved for the importer in the amount equal to 200 percent of the declared value of the merchandise. A second offense then would involve perhaps up to 1 year of imprisonment. It is only in a third offense that it would be 5 years.

It is simply not correct to suggest that if somebody makes a mistake once, suddenly they are going to be imprisoned. It is not nearly as harsh as that. It is a reasonable series of penalties for people who are going to get enormous benefit under this legislation.

Mr. MOYNIHAN. Mr. President, the Senator is correct. I believe I said the provision provided ''up to'' on the third event. But we will not dispute it. The facts are accurately stated by the Senator from Wisconsin.

The PRESIDING OFFICER. Is all time yielded?

Mr. ROTH. I yield the remainder of my time.

The PRESIDING OFFICER. The question is on the motion to table amendment No. 2428. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Arizona (Mr. MCCAIN) and the Senator from New Hampshire (Mr. GREGG) are necessarily absent.

The result was announced—yeas 53, nays 44, as follows:

[Rollcall Vote No. 346 Leg.]

YEAS—53

Abraham	Bond	Craig
Allard	Breaux	Crapo
Ashcroft	Brownback	Daschle
Baucus	Burns	DeWine
Bayh	Cochran	Domenici
Bennett	Coverdell	Enzi
Feinstein	Kerrey	Roberts
Fitzgerald	Kyl	Roth
Frist	Lieberman	Santorum
Gorton	Lincoln	Shelby
Graham	Lott	Smith (OR)
Gramm	Lugar	Stevens
Grams	Mack	Thomas
Grassley	McConnell	Thompson
Hagel	Moynihan	Voinovich
Hatch	Murkowski	Warner
Hutchinson	Murray	Wyden
Jeffords	Nickles	

NAYS—44

Akaka	Feingold	Mikulski
Biden	Harkin	Reed
Bingaman	Helms	Reid
Boxer	Hollings	Robb
Bryan	Hutchison	Rockefeller
Bunning	Inhofe	Sarbanes
Byrd	Inouye	Schumer
Campbell	Johnson	Sessions
Cleland	Kennedy	Smith (NH)
Conrad	Kerry	Snowe
Collins	Kohl	Specter
Dodd	Landrieu	Thurmond
Dorgan	Lautenberg	Torricelli
Durbin	Leahy	Wellstone
Edwards	Levin	

NOT VOTING—2

Gregg	McCain

The motion was agreed to.

Mr. ROTH. Mr. President, I move to reconsider the vote.

Mr. MOYNIHAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2483

The PRESIDING OFFICER (Mr. SMITH of Oregon). Under the previous order, there are 4 minutes of debate equally divided for the motion to table amendment No. 2483. The Senate will be in order. Who yields time? The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, this amendment is nothing more than the previous amendment on side agreements on labor. This one would require the side agreements with respect to the environment. The distinguished Presiding Officer knows I know the feeling of strength out on the west coast for the environment. I have traveled up there, for example, in Puget Sound and have had the hearings with Dixie Lee Ray when she was the oceanographer, John Linberg, and all the rest. I come back to the statement by my distinguished ranking member quoted in the Wall Street Journal this morning——

Mr. MOYNIHAN. Mr. President, we do not have order. We cannot hear the Senator from South Carolina.

The PRESIDING OFFICER. The Senators will take their conversations to the Cloakroom.

The Senator from South Carolina.

Mr. HOLLINGS. As quoted in the morning Wall Street Journal, the distinguished Senator MOYNIHAN of New York said:

> We were planning to spend a few days in Seattle, just meeting people.

But if you could not get this bill passed, they would not have any credibility.

> I don't want to show my face.

I know in general the Democrats are considered prolabor and the Republicans are considered generally as antilabor. But with respect to the environment it has been bipartisan. There

was no stronger protector of the environment than our late friend, John Chafee of Rhode Island. He led the way for Republicans and Democrats. I would not want to show my face in Seattle, having voted that you could not even sit down, talk, and negotiate something on the environment, the very same provisions that the chairman of the Finance Committee required in the NAFTA agreement. It is in the NAFTA agreement. I am only saying, since we are going to extend NAFTA to the CBI, let's put the same requirements there with consideration for the environment.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, may I say that will teach me to ask for order when the Senator from South Carolina is speaking.

But we are required, as managers, to make the same point on this measure, this amendment, that we made on the earlier Hollings amendment. This would require us to negotiate 147 environmental agreements around the world before any of the provisions of the African bill or the Caribbean Basin Initiative or the tariff preferences under the Generalized System of Preferences can be extended.

NAFTA was a relatively simple three-party negotiation. We have very few differences with Canada, and such as we had with Mexico were worked out. In so many of the countries we are talking about in sub-Saharan Africa, the nation, the area, is an environmental disaster. That is why we are trying to develop some trade, some economic influx—trade not aid. We would not do it. What would be your standard for the Sudan? What would be your standard for parts of the Congo? What would you know about the country with which you are negotiating?

These are terribly distressed regions. We have had three decades of declining income, of rising chaos. The best hopes are the countries that want this agreement. We are not going to leave environment behind, but we should move ahead on this measure. I think my chairman agrees with me in this matter. I yield the floor.

The PRESIDING OFFICER. The time has expired.

Mr. MOYNIHAN. I move to table the amendment.

The PRESIDING OFFICER. The question is on agreeing to the motion to table amendment No. 2483.

The yeas and nays have previously been ordered.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Arizona (Mr. MCCAIN) and the Senator from New Hampshire (Mr. GREGG) are necessarily absent.

The result was announced—yeas 57, nays 40, as follows:

[Rollcall Vote No. 347 Leg.]

YEAS—57

Abraham	Fitzgerald	Lugar
Allard	Frist	Mack
Ashcroft	Gorton	McConnell
Baucus	Graham	Moynihan
Bennett	Gramm	Murkowski
Bond	Grams	Nickles
Breaux	Grassley	Roberts
Brownback	Hagel	Roth
Bunning	Hatch	Santorum
Burns	Hutchinson	Sessions
Campbell	Hutchison	Shelby
Cochran	Inhofe	Smith (NH)
Coverdell	Jeffords	Smith (OR)
Craig	Kerrey	Specter
Crapo	Kyl	Stevens
DeWine	Landrieu	Thomas
Dodd	Lieberman	Thompson
Domenici	Lincoln	Voinovich
Enzi	Lott	Warner

NAYS—40

Akaka	Feingold	Murray
Bayh	Feinstein	Reed
Biden	Harkin	Reid
Bingaman	Helms	Robb
Boxer	Hollings	Rockefeller
Bryan	Inouye	Sarbanes
Byrd	Johnson	Schumer
Cleland	Kennedy	Snowe
Collins	Kerry	Thurmond
Conrad	Kohl	Torricelli
Daschle	Lautenberg	Wellstone
Dorgan	Leahy	Wyden
Durbin	Levin	
Edwards	Mikulski	

NOT VOTING—2

Gregg	McCain

The motion was agreed to.

Mr. ROTH. I move to reconsider the vote.

Mr. MOYNIHAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

CHANGE OF VOTE

Mr. LAUTENBERG. I ask unanimous consent that on a vote I cast on amendment No. 2483 which I indicated in the affirmative to table, I be permitted to change that vote without affecting the outcome.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The foregoing tally has been changed to reflect the above order.)

AMENDMENT NO. 2485

The PRESIDING OFFICER. There is now 4 minutes of debate equally divided on amendment No. 2485.

Who yields time?

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, by this vote we will determine whether we are for foreign aid or foreign trade. The truth is that the Marshall Plan in foreign aid is really a wonderful thing. We have defeated communism with capitalism. It has worked.

But now after 50 years, with running deficits in excess of $100 billion for some 20 years, we are just infusing more money into the economy than we are willing to take in. There was the deficit of $127 billion here just at the end of September for the year 1999; otherwise, running a deficit in the balance of trade of $300 billion; then with our current account deficit totaling $726 billion in the last 7 years and our net external assets really in the liabilities over the last 7 years from $71 billion to $831 billion.

We are going out of business. It would be a wonderful thing. But let's have some reciprocity. All we are saying is, when we make an agreement, we take some of these particular regulations affecting, for example, textiles—there is a whole book of them here—and if we lower ours, let them lower theirs.

Cordell Hull, 65 years ago, with the reciprocal trade agreements of 1934, is what got the country going again industrially, and that is what will get it going again if we obey the reciprocity that we included in NAFTA.

All I am trying to do, if we are going to extend NAFTA, let's have the same reciprocity we had in NAFTA in these particular CBI agreements.

The PRESIDING OFFICER. The Senator from Delaware is recognized.

Mr. ROTH. Mr. President, I oppose the amendment. I do so for three reasons. The first reason, as I have stated previously, is that the purpose of this legislation is to encourage investment in Africa, the Caribbean, and Central America by offering these poverty-stricken countries a measure of preferential access to our markets.

This amendment would undermine that effort by making eligibility explicitly dependent on the offer of reciprocal benefits to the United States equivalent to those that the U.S. is entitled under NAFTA. This is a standard even the WTO members among the beneficiary countries could not currently satisfy.

The second reason I oppose the amendment is that the Finance Committee bill already instructs the President to begin the process of negotiating with the beneficiary countries under both programs for trade agreements that would provide reciprocal market access to the United States, as well as a still more solid foundation for the long-term economic relationship between the United States and its African, Caribbean, and Central American neighbors.

Finally, let me point out that the bill does encourage reciprocity where it really counts in the context of this bill. By encouraging the use of U.S. fabric and U.S. yarn in the assembly of apparel products bound for the United States, the bill establishes a solid economic partnership between industry in the United States and firms in the beneficiary countries. That provides real benefits to American firms and workers in the textile industry by establishing a platform from which American textile makers can compete worldwide. That is precisely the benefit our industry most seeks in the context of our growing economic relationship with both regions.

In short, I oppose the amendment and urge my colleagues to do so as well.

The PRESIDING OFFICER. The question is on agreeing to the motion to table amendment No. 2484. The yeas and nays have been ordered.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Arizona (Mr. MCCAIN) and the Senator from New Hampshire (Mr. GREGG) are necessarily absent.

The result was announced—yeas 70, nays 27, as follows:

[Rollcall Vote No. 348 Leg.]

YEAS—70

Abraham	Feinstein	Mack
Allard	Fitzgerald	McConnell
Ashcroft	Frist	Moynihan
Baucus	Gorton	Murkowski
Bayh	Graham	Murray
Bennett	Gramm	Nickles
Biden	Grams	Reid
Bingaman	Grassley	Roberts
Bond	Hagel	Roth
Breaux	Harkin	Santorum
Brownback	Hatch	Schumer
Bryan	Hutchinson	Sessions
Burns	Hutchison	Shelby
Cochran	Inhofe	Smith (OR)
Conrad	Jeffords	Specter
Coverdell	Kerrey	Stevens
Craig	Kerry	Thomas
Crapo	Kyl	Thompson
Daschle	Landrieu	Voinovich
DeWine	Leahy	Warner
Dodd	Lieberman	Wellstone
Domenici	Lincoln	Wyden
Enzi	Lott	
Feingold	Lugar	

NAYS—27

Akaka	Edwards	Mikulski
Boxer	Helms	Reed
Bunning	Hollings	Robb
Byrd	Inouye	Rockefeller
Campbell	Johnson	Sarbanes
Cleland	Kennedy	Smith (NH)
Collins	Kohl	Snowe
Dorgan	Lautenberg	Thurmond
Durbin	Levin	Torricelli

NOT VOTING—2

Gregg	McCain

The motion was agreed to.

Mr. ROTH. I move to reconsider the vote.

Mr. MOYNIHAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2406

Mr. ROTH. At the request of the Senator from Wisconsin and with the approval of the senior Senator from New York, I ask that the yeas and nays be vitiated with respect to amendment No. 2406. I ask unanimous consent that the Senate conduct a voice vote on this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the motion to table amendment No. 2406.

The motion was agreed to.

Mr. ROTH. I move to reconsider the vote.

Mr. MOYNIHAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BIDEN. Mr. President, under rule XXII, I yield my hour to the Democratic leader.

Mr. THOMAS. Mr. President, under rule XXII, I yield my hour to the majority manager of the bill.

Mr. REED. Mr. President, under rule XXII, I yield my hour to the minority leader.

Mr. COCHRAN. Under rule XXII, I yield my hour to the majority manager.

Mr. EDWARDS. I yield 50 minutes allotted to me to the senior Senator from New York so he may yield to the junior Senator from Wisconsin.

Mr. LAUTENBERG. Under rule XXII, I yield my hour to the Senator from New York.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS CONSENT AGREEMENT—S. 900

Mr. ROTH. I ask unanimous consent the majority leader, after consultation with the minority leader, may proceed to consideration of the conference report to accompany the financial services bill and provide further that the conference report has been made available and the conference report be considered as having been read and the Senate proceed to its immediate consideration.

I further ask that there be 4 hours equally divided between the chairman and the ranking minority member, an additional hour under the control of Senator SHELBY, 1 hour for Senator WELLSTONE, 30 minutes for Senator BRYAN, and 20 minutes for Senator DORGAN. I further ask consent that no motions be in order and a vote occur on adoption of the conference report at the conclusion or yielding back of my time without any intervening action or debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROTH. In light of this agreement, there will be no further votes this evening.

MORNING BUSINESS

Mr. ROTH. I ask unanimous consent the Senate now proceed to a period of morning business with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

VOLUNTARY CONFESSIONS LAW

Mr. THURMOND. Mr. President, I rise today to express my deep disappointment at the Justice Department's decision not to defend a law of Congress regarding voluntary confessions.

Last evening, the Justice Department responded to the petition for certiorari from the Fourth Circuit Dickerson case, which had upheld 18 U.S.C. Section 3501, a law the Congress passed in 1968 to govern voluntary confessions. The Department refused to defend the law, arguing that it is unconstitutional under Miranda v. Arizona.

This position should not be surprising. Earlier, the Clinton Justice Department had refused to defend the law in the lower Federal courts. It had prohibited a career Federal prosecutor from raising the statute to prevent Dickerson, a serial bank robber, from going free, and had actively refused to permit other prosecutors from using the statute. However, it had held out the possibility that it would defend the law before the Supreme Court. Indeed, prior to the time the Department was forced to take a position in the Dickerson case, the Attorney General and Deputy Attorney General had indicated to the Judiciary Committee that the Department would defend Section 3501 in appropriate cases.

The Attorney General's refusal to enforce the law puts her at odds with her predecessors. Former Attorneys General Meese, Thornburg, and Barr have informed me through letters that they did not prevent the statute from being used during their tenures, and indeed, that the statute had been advanced in some lower court cases in prior Administrations. They added that the law should be enforced today. During a hearing on this issue in the Judiciary Criminal Justice Oversight Subcommittee, which I chair, all the witnesses except one shared this view.

The position of the Justice Department is also contrary to the views of law enforcement groups, which believe that Miranda warnings normally should be given but that we should not permit legal technicalities to stand in the way of an otherwise voluntary confession and justified prosecution. Most recently, according to press reports, even Federal prosecutors urged Justice officials to defend this law. It was all to no avail. In my view, the Department has a duty to defend this law, just as it should defend any law that is not clearly unconstitutional. Each court that has directly considered the issue has upheld the law. Nevertheless, the Justice Department will not abide by its duty to defend the statute, and I believe it is critical that the Congress file an amicus brief or intervene in the Supreme Court defending it.

In this case, the Justice Department has deliberately chosen to side with defense attorneys over prosecutors and law enforcement. It has deliberately chosen to side with criminals over victims and their families. This is a serious error. The Department should not make arguments in the courts on behalf of criminals. This is a sad day for the Department of Justice.

THUGGERY IN KOSOVO

Mr. BIDEN. Mr. President, I rise today to condemn in the strongest manner possible the anti-democratic violence that continues in Kosovo. This violence takes many forms, the most widely publicized of which is attacks by ethnic Albanians on Serbs and other minority groups in the province. KFOR and the U.N. Mission must stamp out these attacks immediately.

What has received less media attention is the intimidation, and occasional violence, within the ethnic Albanian