

2:15 p.m. the Senate resume morning business until 5:15 p.m., with Senators speaking for up to 10 minutes each and the time be equally divided in the usual form.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

SCHEDULE

Mr. JEFFORDS. Mr. President, for the information of all Senators, negotiations are continuing on the education bill. It was hoped that negotiations could be completed this morning with the understanding there would be amendments offered to the legislation. However, the time between 2:15 p.m. and 5:15 p.m. is expected to be used for the initial discussion of the education legislation.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Nevada.

BROWNFIELDS

Mr. REID. Mr. President, this brownfields legislation is important. It provides three important steps to directly spur cleanup and reuse of these abandoned and contaminated sites.

No. 1, it provides critically needed money to assess and clean up abandoned and underutilized sites which will create jobs and increase tax revenues and preserve great parks and open space. It is estimated this legislation will bring tax revenues to local governments of up to \$2.4 billion.

No. 2, it encourages cleanup and redevelopment by providing legal protections for innocent parties, such as contiguous property owners, prospective purchasers, and innocent landowners.

Under the present state of the law, these places are left abandoned because people are afraid if they purchase these properties or lease them, they will be subject to Superfund liability. This legislation negates all that.

No. 3, it further provides for funding and enhancement of State cleanup programs and a balance between providing "certainty" for developers and others but still ensuring protection of public health.

We reported this bill out of committee by a vote of 15-3. A couple of Senators had some problems. We worked literally day and night on a staff level to resolve those problems. For example, the Senator from Ohio had some suggestions. I told him at the committee that we would work with him, and we have. We have satisfied Senator VOINOVICH's problems with this legislation.

We need to do this. The reason I am so frustrated is that yesterday we did nothing, and today we are going to stand around and be in morning business. There is no reason we cannot do this. We have agreed on this side to 2 hours of debate evenly divided. I do not know why in the world we cannot move forward with this legislation. It is extremely important.

I believe President Bush is a good person, and I believe he means well and wants to do the right thing. He stated during the campaign that he supports brownfields legislation.

His environmental record has been abysmal this first 100 days. Why doesn't he lend his prestigious efforts to this legislation that he says he supports?

I cannot understand why we do not move forward with this legislation. This legislation is important. It is important to the State of Nevada. It is important to every State in the Union.

As we all know, this issue has wide support from groups including environmentalists, the Mayors' Association, businesses, the real estate community. This bill is a meeting of minds from all sectors of American society and from both sides of the aisle.

S. 350 is a model of how an evenly divided committee can work together. I urge the Republican leadership in the Senate to show this Senate can recognize good legislation when it sees it and prove to Americans a 50/50 Senate can be productive and we can enact good laws.

I urge my friend, the junior Senator from Mississippi, the majority leader, to allow us to debate this bill and move forward on it. We will do it with a short agreement. We agreed to 2 hours.

This bill will pass overwhelmingly. Work done by the Presiding Officer and the Senator from California has been exemplary, and the work the full committee did is excellent. I urge my colleagues to work toward moving this forward. Hard work has been done. The cooperation of the Republicans and Democrats on the committee was noticeable. It is a shame at this time we don't move forward with this legislation.

The ACTING PRESIDENT pro tempore. The Senator from North Dakota.

THE TRADE DEFICIT

Mr. DORGAN. Mr. President, last week we were all witnesses to headlines in the newspapers about a meeting held in Quebec City, Canada. The newspaper headlines talked about tear gas, chain link fences, police lines, demonstrators, 30,000 people marching down streets. It also discussed anarchists.

What is this all about, 30,000 people demonstrating in the streets of a major city in our hemisphere? It is about international trade. The same sort of thing happened in Seattle a year and a half ago. The future WTO ministerial meeting will be held not in a major city but in a place called Qatar. Why? Because no city wanted to host it, as I understand it. They will have to even bring in cruise ships for hotel rooms. They feel if the ministers of trade from around the world can hold a meeting in an isolated place, no one will show up to protest their closed door meeting.

Last week's demonstrations in Quebec City underscored again that world

leaders are not going to hold trade talks without attention being paid to the issues concerns of the people and the problems related to global trade. It is not that global trade ought to be stopped. It is that global trade has marched relentlessly forward without the rules of trade keeping pace. There is a relentless accelerated march toward globalization. However our world leaders have not develop acceptable rules, so people demonstrate in the streets.

I want to make two points this morning: One, trade is very positive for our country when it occurs in circumstances where it is fair. It makes sense for us to do that which we do best and trade with others who in their comparative advantage are doing what they do best. That makes sense on the world stage. Our country has been a leader in world trade, a leader in expanded trade, and it does make sense to expand our trade opportunities as long as doing so represents the values that this country considers important in the development of our economy and in the development of our international relationships.

It is also the case that while all say that expanded trade is good for this country, it is also the case that we ought not allow the international corporations in this world to pole vault over all the issues that relate to labor, the environment and of production simply by saying: We are going to produce in Sri Lanka, Indonesia, Bangladesh, or China, and we will ship back into the United States. So what if they hire 12-year-olds and pay them 12 cents an hour, working them 12 hours a day. So what. They would like us to think that is fair trade.

It is not fair trade. That is why people are marching in the streets. It is not fair trade when corporations are able to become international citizens and decide to circle the globe in their airplanes and evaluate where they can produce the cheapest, where they can employ kids, where they can dump pollution in the water and the air, where they can have factories without the barriers and problems of making them safe and produce there, create a cheap product and send it to a department store in Pittsburgh or Los Angeles, or Butte, MT.

The question is, Is it fair trade when that happens? This country has fought for a century over these issues. All of those fights were agonizing. Many occurred in this Chamber. The fight about whether we ought to be able to employ children, so we have child labor laws saying we don't want you to send 12-year-olds into coal mines. We don't want 12- and 14-year-olds put on a factory floor to work 12 hours a day. We have child labor laws.

The question of safe workplace, demanding that those who employ people employ them in safe workplaces that are not going to pose risks to the life and safety of workers. We have fought, and made laws to protect our people.

The issue of fair compensation, we have fought for a long while in this country about that issue. We have collective bargaining and the ability of employees to form and join unions. We have minimum wages. We fought about that and continue to fight about that from time to time in this country, but we have settled part of it. Now, some say that doesn't matter; we can go elsewhere. We can produce elsewhere, where people can't join a labor union, they are illegal. We can produce where we can hire a 12-year-old child and pay 16 cents an hour, and we can make a pair of shoes that has an hour and a quarter direct labor, with 20 cents labor costs in a pair of shoes, and ship that to New York City for a department store shelf because we are saying to the American consumer, this is better for you because it is cheaper for you.

So people demonstrate in the streets because they say that is not fair trade. That is not what we mean by expanding the opportunities of trade.

We have had some experience in this country recently with our trade issues and that is not a pleasant experience. This chart shows what has happened to this country's trade deficit. There has been a great deal of good news on the issue of deficits in this country. The fiscal policy and the budget deficits have diminished year after year, and we now have surpluses. Look what has happened to the trade deficits of this country.

In 1993, we had merchandise trade deficits of \$132 billion. It is now \$449 billion and growing. This trade deficit is mushrooming. If there are people who think it doesn't matter, think again. This is like the runup of dot com companies in the stock market. Everybody thought NASDAQ would continue to increase forever. These values are perfectly understandable. We had people on Wall Street who made a lot of money that were justifying and explaining why the values made sense.

They didn't make sense. This doesn't make sense. This ballooning, mushrooming trade deficit will cause serious problems to this country unless it is addressed. This country must repay these trade deficits. With a budget deficit, you can make the case that it is a deficit, you owe it to yourself. You cannot do that with trade deficits. This is a deficit we owe to others.

Inevitably, they are repaid with a lower standard of living in this country. That is an action in economics that no one disputes. This is a very serious growing, abiding problem.

With whom are our trade deficits? Our trade deficits are with Canada. We passed a U.S.-Canada trade agreement. We had a reasonably small trade deficit with Canada. We quickly doubled it, very quickly doubled our trade deficit with Canada. What an incompetent trade agreement. We ought to haul those negotiators to the well of the Senate to explain to us what they did in public and in secret to undercut this

country's interests in the U.S.-Canada agreement. I could talk about some of those issues, but I don't have time today.

China, the China trade deficit, the trade deficit we now have with China is an \$83 billion merchandise trade deficit, and growing rapidly; the European Union, \$55 billion trade deficit, and growing; Japan, \$81 billion trade deficit, and growing. And we have had a trade deficit with Japan of \$50 billion a year plus now for a long time.

Mexico, by the way, prior to the U.S.-Canada and Mexico trade agreement, something called NAFTA, North American Free Trade Agreement, we had a surplus trade balance with Mexico. We had a surplus. It is now nearly a \$25 billion deficit. Talk about colossal incompetence. The trade agreements we have negotiated in recent years have undercut this country's interests in fair trade. In every set of circumstance, our country bows to trade agreements that undercut our workers and our producers all in the name of free trade.

Quebec City hosted a big meeting last week. The President went to Quebec City and talked about the desire for expanded trade agreements. He said Congress must give him what is called trade promotion authority. That is just new language for fast track. What the President is saying is: I want fast-track trade authority.

To the extent I have the capability of involving myself in this, I will say to the President: You are not going to get fast-track trade authority. We wouldn't give it to President Clinton, and we won't give it to you. Your first job is not to create new trade agreements when every agreement in recent years has undercut this country's interests and resulted in larger and larger trade deficits. Your first job is to fix the problems that have been created in the last decade and a half. Fix these problems, then come to us. Then we can talk about trade promotion authority.

Do you want to hear some problems? We have a huge, growing trade deficit with Japan. Do you know what the tariff is on a T-bone steak we send to Tokyo, American beef sent to Japan? There is nearly a 40-percent tariff on every single pound of American beef sent to Japan—40 percent. That would be declared a huge problem if the United States imposed a 40-percent tariff, but we will allow our allies to do that, our trading partners. Why? Because we are poor negotiators and we do not have backbone and we do not have the nerve and we do not have the will to stand up for this country's economic interests. So T-bones to Tokyo are just a small example, just one small example.

How about going from T-bones to apples? Try sending apples to Japan. Do you know what Japan will tell apple growers in this country? They say the apples that are shipped in Japan must be shipped from trees in the United States that are separated by at least

500 meters from the other trees in the orchard. Does it sound goofy to you? It does to me. How do they get by with it? They get by with it because we negotiate incompetent agreements, incompetent bilateral agreements with these countries.

China? Well, China has a huge and growing trade surplus with us—or we a deficit with them. They ship us their trousers and their shirts and their shoes and their trinkets—they flood our country with their goods. But try to get American wheat into China these days. Ask what China is buying from the United States. See whether our trade agreement with China is fair.

Let me just give one example. We just sent negotiators to negotiate with China. When they finished—I will just talk about automobiles for a moment. China has 1.1 billion people. When our negotiators finished, just a year and a half ago, negotiating a bilateral agreement with China, here is what they said: China, it is all right for you, after a rather lengthy phase-in, to impose a 25-percent tariff on any automobiles the United States sends into China. And, by the way, for our part, we will impose a 2.5-percent tariff on any automobiles China would send to the United States.

We sent negotiators to sit down with the Chinese to negotiate a bilateral agreement and said what we will agree to, with a country with 1.3 billion people that is going to need a lot of automobiles in the future, we will agree you can impose a 10-times higher tariff on automobiles that we would send to China versus the automobiles they might send to the United States.

I would like to find the people who agreed to that on behalf of this country and ask them how do they justify their public service by such incompetence. It makes no sense to me that we engage with other countries on trade and are not hard-nosed and strong negotiators, saying we are all for trade so let's have reciprocal trade policies: We must say you treat us like we treat you, we treat you like you treat us. Let's treat each other fairly.

But that is not the way our trade negotiators see it. Every single time they get involved in a negotiation, our farmer, ranchers, and small businesses lose. I talked about having our trade negotiators wear jerseys as they do in the Olympics. At least they could look down and see the initials on the jerseys and see for whom they are working.

What is happening with trade with China, Canada, EU, Japan, and Mexico? There is now a merchandise trade deficit of over \$450 billion a year, a deficit every single day of goods going into our country that exceeds goods going out, and this \$450 billion in accumulated merchandise deficits is part of our account that has to be settled at some point, and it will weaken this country's economic strength when we do it.

The question for this administration—and I have asked exactly the

same question with the previous administrations—is: Are you going to stand up for this country's economic interests? President Bush went to Canada. He said at the outset that we have to recognize the issues of labor and the environment in trade agreements. Then later in the week he said: Trade agreements must be commercial—commercial interests, and, by the way, what I want is trade promotion authority—which, as I said, is a new term for fast track.

For those who do not know what fast-track authority is, it means our negotiators shall go negotiate an agreement with another country, bring it back as a treaty to this Senate, and the provisions under fast track would be we can debate it but cannot amend it; no Senator has the right to offer any amendments at any time under any circumstances.

It is fundamentally undemocratic. Had we had the opportunity to offer amendments to NAFTA, we would not be in this situation with Mexico and Canada, just as a example, with respect to our current trade agreement with our neighbors.

The big study on Mexico and Canada was by Hufbauer and Schott study, which everybody used. The Chamber of Commerce and all our colleagues used it. They said if we do this trade agreement, we will have 350,000 new jobs in this country. And they said here are the imports and exports between the United States and Mexico that we expect after this agreement.

It turns out they said the principal imports from Mexico would be imports of largely unskilled labor. What are the three largest imports from Mexico? The three largest imports are automobiles, automobiles parts, and electronics, all of which come from skilled labor, all of which mean the Hufbauer and Schott study missed its mark. We didn't gain jobs, we lost jobs with that trade agreement and turned a surplus into a fairly large trade deficit.

Who is going to be called to account for that? Nobody. Because that is exactly what the international companies wanted. They do not get up in the morning and say the Pledge of Allegiance. They are international entrepreneurs, and they are interested in producing anywhere in the world where they can find the fewest impediments to production and the cheapest place to produce. They don't want to have to worry about the child labor laws, pollution and the standards that countries impose in preventing companies from dumping into the air and water. They don't want to have to worry about worker safety. They don't want to have to worry about fair compensation. They had those fights and lost them in this country, and now they want to go elsewhere and say: We want to be able to ignore that.

The people in the streets are saying: Wait a second, there needs to be some basic set of standards. What does it mean when someone ships carpets to

this country and the carpets are made by kids, 10- and 12-year-old kids, some of whom have had gunpowder put on their fingertips to have them burned off so they have permanent scarring, so 10- and 12-year-old kids can make carpets and run needles through the carpets, and when they stick the top of their fingers, it doesn't hurt them because they have already been scarred by burning.

That is part of the testimony before Congress about child labor. It is happening in this world. Is it fair trade for those carpets to come into our country and be on our store shelves? Would anybody be proud to buy from countries where the circumstances of production are represented by that kind of behavior? The answer is no.

What I want to say today is very simple. The example in Quebec City last week is an example that is going to continue. I do not support the anarchists and others who show up for those events to cause trouble, but I understand why protesters come to those events, peaceful protesters—and most of the 30,000 people who showed up were peaceful. I believe we should expand trade. I believe expanded trade is important for this country. But I also believe this country ought to be a world leader, promoting and standing up for the values for which we fought for over a century to protect. Those are the values of dealing thoughtfully with the rules of production dealing with the hiring of children, with safe workplaces, dealing with the environment and controlling the emission of pollutants.

If this is, indeed, a global economy and if it matters little where people are producing, then you have to have some assurance, if they are going to close a plant in Toledo or Fargo and move to Guangzhou, they are not going to be able to do that because in Guangzhou they can hire kids and pollute the water and air and not have a safe workplace and produce a cheaper product and represent to the people of the world: We have done it all for you. That is not doing anybody a favor. That is a retreat from the standards for which we fought for a century in this country.

People will demonstrate in the streets on trade issues because they want the rules to keep pace with the relentless march of globalization. I want globalization to continue, but I want it done under rules that are fair. Coming from a small State in the northern part of this country, North Dakota, that borders a friendly nation, Canada, I know full well what happens when we are sold out and undercut by our trade negotiators. It happened to us with the trade negotiations with Canada. We sent a trade ambassador to Canada. They negotiated a trade agreement, and they essentially said to family farmers: Your interests are unimportant to us, so we will sell those interests out in order to get concessions for other industries. And we have fam-

ily farmers going broke in my State because we have an avalanche of unfairly traded durum wheat coming into this country. We produce 80 percent of that in the State of North Dakota. Durum wheat is used to produce semolina flour which makes pasta, so most everyone has eaten semolina which comes from the fields of North Dakota in the form of our pasta. But durum growers were severely undercut. Their interests were severely undercut by our former trade ambassador who not only made a bad agreement but then made a private side deal that he didn't disclose to Congress, and he pulled it right out from under our producers. That is not fair.

Neither is it fair that we will negotiate with a country such as Canada that has a monopoly state trading enterprise and that sells their wheat on what is called the Canadian Wheat Board, which would be illegal in this country. They say: We will have a trade arrangement under which we will sell in the U.S. market at practically secret prices and refuse to disclose it to anyone. It is fundamentally unfair trade.

We sent people to Canada to say we want to evaluate the prices at which you sell to determine whether you are dumping in the American marketplace. They thumb their noses, saying: We don't intend to show you one piece of paper about what we are doing in United States.

To allow that to happen is unfair. It is unfair to farmers, it is unfair to producers, and it is unfair to workers. On a broader level, it is unfair to corporations that are doing business in this country and producing for our marketplace.

I hope it is not lost on this administration—I have said the same thing to previous administrations—that they should not hold trade agreements or trade negotiations, or trade conferences for that matter, in cities around the world without, in my judgment, opening the discussion for a lot of people who want to raise questions about what the fair rules are for international trade. Globalization will continue, and should. But it must be attended by rules of fair trade, and people ought to understand that and know that.

Second, finally, when we negotiate trade agreements, we ought not to be afraid to stand up for this country's economic interests. It is about time to be a bit hard nosed, and have a backbone that serves to stand up for this country's interests.

Mr. President, I yield the floor.

I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.