to protect U.S. workers. Commerce Department officials said that would defeat the purpose of fast track and they would recommend that Bush veto the legislation.

In short, yes, the President does not have the authority under the Constitution. The Congress, under article I, section 8, has the authority and the responsibility. The President, and his little minion, Robert Zoellick, the Trade Representative—he runs around and smiles and grins in all of these places, and he can amend anything. He can amend the laws. But, oh, they bring and amend the laws with respect to our national security, with respect to countervailing duties and antidumping provisions. He can amend it. But the Congress can't even consider it on an up-or-down vote.

Can you imagine the polls in such a situation as this. That Grassley amendment ought to be tabled immediately and we should not wait for 2:15. There isn't any question in my mind that this thing has gotten totally out of hand. The trade laws are not successes. The distinguished Senator from Iowa points out that everything has been coming up roses. But the fact is, we have been going out of business. Because of NAFTA we lost 53,900 textile jobs alone in the little State of South Carolina, 700,000 around the country—not just 20,000 steelworkers. So we lost all of those jobs. And we are going out of business. And the Congress of the United States tells them: Retrain, reeducate, high-tech, global competition. The President says you don't understand it.

We understand it. We retrain. I told the story—I will repeat it right quickly—of the Oneida mill in Andrews that made the little T-shirts. At the time of the closing, they had 487 workers there. The average age was 47. The next morning they did it the President's way. They retrained the employees. They are re-skilled. They are now 487 skilled computer operators.

Are you going to hire a 47-year-old computer operator or a 21-year-old computer operator? You are not taking on the retirement costs, you are not taking on the health costs of the 47-year-old. So it is a real problem.

Here we have the responsibility, and this crowd will not even let us do our job. The arrogance of this K Street crowd who writes these trade measures is unbelievable. And the President of the United States went over on the House side, and by one vote he promised—what?—he would do a fundraiser. So he has been down to Greenville to show up at a fundraiser.

It is money that talks, that controls here. You do not argue the trade measure, whether it is in the best interests of our country or not. This thing has gotten totally out of hand. And to come here and say whether this President likes it or that President likes it, well, this Senator does not like it at all.

We have many other measures, too. I noticed that Nick Calio, and his minion at the White House, said we have to get on, we can get rid of this bill this week and we can get it to conference, and everything else like that. We have barely been able to get on this particular amendment to discuss it. And then they say, well, we will put in a little maneuver here. And we will fix that vote. And we will not even have it, even when they have changed it from a 60-vote point of order down to just a majority vote up or down. They will not even let you have a majority up-or-down vote on the security of the United States under the responsibilities of the Senate.

They say that past Presidents like it. Past Presidents don't go back down to Arkansas—they move to New York. They don't sell this trade bill as being good for farmers in Arkansas, I can tell you that. They won't run for election down there. And they won't do it in my State of South Carolina, either.

It is a hearty development to find the distinguished Senator from Idaho, and the Senator from North Dakota—they know that agricultural business extremely well. They are now joining in because they are losing all the agriculture. The 3½ million farmers that we have in America cannot outproduce 700 million farmers in China. That is why we have a deficit in the balance of trade with respect to corn.

They tell me that now China is shipping to Japan and Korea some of their wheat so they can continue to appear as if they are taking our wheat. But we are going out of business there. And we will not have the wonderful export of America's most productive production; namely, America's agriculture.

So I hope we will slow down, stop, look, and listen, and understand that all we are trying to do is our job. And our job is to regulate foreign commerce. Please let us have a vote up or down. Do not come in and say, you cannot even have an up-or-down vote on the antidumping substantive law, that you can repeal it. Because once they repeal it in Doha, or any other foreign land, we're in trouble. When the trade reps meet to discuss agreements they don't go to places like Seattle any more, where people can go to and demonstrate and tell about our trade experiences here in the United States. No, they pick a place that no one ever heard of. You can't find it on the map.

The next meeting will be down in the Antarctic. I have been down there. It is hard to get there. That is where they will have the next trade negotiation, where nobody can be heard. And they will get the fix, and then they will come back and do exactly what is happening on this bill.

There is a fix. In this particular case it is not golf games and not C–17s, it is not cultural centers like it was on NAFTA, but it is welfare. It does not employ anybody. It says: Well, we give you a little welfare to keep your mouth shut, so you can go back home and run for reelection. It is not about trade, not about jobs.

We have the job of creating jobs. They are exporting them faster than we can possibly manage it. And now they are not only exporting their manufacturing, they are exporting the executive office to Bermuda.

So here, in a time of war, when you should hear the word ''sacrifice,'' they put the President on TV, who says: Don't worry. Take a trip. Go to Disney World. Take your family. And what we ought to do is cut some more taxes to run the debt up.

You are going to hear about that because by this time next month we will be in desperate circumstances. We have to increase the debt limit, but they will not say they will increase the debt limit. They will try to say it is the war, as to why we need to borrow money. Oh, no, it is not the war. It is the trillions of dollars they have lost. And now they want to lose another $4 trillion.

Larry Lindsey—he doesn't like me referring to him—but he is the one who opposed what we had going with President Clinton and Secretary Summers to stop all of these offshore locations from avoiding taxes. They even had a bill, reported out of the committee over on the House side, that did that.

You would think, by gosh, we would be raising taxes to pay for the war, certainly not escaping our civic duty in a time of war. But that is the hands that we are dealt. The wonderful Business Roundtable, the Conference Board, the National Association of Manufacturers, and the U.S. Chamber of Commerce—oh, they will all tell you what is good for the country. What they are saying is wrecking the economy. They don't want to pay for anything. All they want to do is just help everybody buy the different elections.

I see my time is up. I hope that at 2:15, when they move to table, Madam President, that the people will sober up and come to the floor and give us a chance on that vote to table the Grassley amendment so we can do our job. We don't say one way or the other; we just say, give us an up-or-down vote to consider the security, consider the antidumping provisions, as the Dayton-Craig amendment calls for.

Madam President, I yield the floor.

## RECESS

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

Thereupon, the Senate, at 12:46 p.m., recessed until 2:16 p.m. and reassembled when called to order by the Presiding Officer (Mr. BREAUX).

## ANDEAN TRADE PREFERENCE EXPANSION ACT—Continued

AMENDMENT NO. 3408

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, as soon as we have someone here from the other side, I will move to table the amendment now pending. We have had a good debate. The debate was very constructive all morning. It is time to test the strength of the second-degree amendment and find out what we are going to do.

As we proceed through this trade legislation, we should have more debates such as we had this morning. We should vote as soon as we have had debate. Of course, a motion to table can be offered at any time. It is high time we did this on this amendment.

I was talking to some Democratic Senators this morning. Between the two Senators they have six or seven amendments. So there is a lot that needs to be done on this legislation. If someone does not have an opportunity to speak on one amendment, they can certainly do it on the other.

I hope we can continue to move this legislation. I know Senator DAYTON and Senator CRAIG have waited for days on offering their amendment.

I say to my friend from Minnesota, I appreciate very much his patience in waiting to get to a point to test the strength of what is happening.

I have been told that the Dayton-Craig amendment has at least 60 votes in favor of it. I certainly think we should find out if that is the case. There have been some who have been trying to prevent Senators DAYTON and CRAIG from having a vote on their amendment. I suggest that is not the way we should do things. Something this complex and this important we should move as quickly as possible.

I therefore move to table the amendment and ask for the yeas and nays.

The PRESIDING OFFICER (Ms. STABENOW). Is there a sufficient second?

There is not a sufficient second.

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

The PRESIDING OFFICER. The clerk will call the roll.

The senior assistant bill clerk proceeded to call the roll.

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

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

The Senator from Nevada.

Mr. REID. Madam President, I renew my request to table the amendment.

I withhold that request.

Madam President, I ask for the attention of my friend from Iowa. Is it the Senator's intention to withdraw the amendment?

Mr. GRASSLEY. Yes.

AMENDMENT NO. 3409 WITHDRAWN

Mr. GRASSLEY. Madam President, I ask unanimous consent to withdraw my amendment.

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

AMENDMENT NO. 3408

Mr. REID. Madam President, I move to table the Dayton amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the motion to table amendment No. 3408. The clerk will call the roll.

The senior assistant bill clerk called the roll.

Mr. NICKLES. I announce that the Senator from North Carolina (Mr. HELMS) is necessarily absent.

I further announce that if present and voting the Senator from North Carolina (Mr. HELMS) would vote ''no.''

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 38, nays 61, as follows:

[Rollcall Vote No. 110 Leg.]

YEAS—38

| | | |
|---|---|---|
| Allard | Gramm | Lugar |
| Baucus | Grassley | McCain |
| Bennett | Gregg | McConnell |
| Bond | Hagel | Miller |
| Breaux | Hatch | Murkowski |
| Brownback | Hutchinson | Nickles |
| Chafee | Hutchison | Roberts |
| Cochran | Inhofe | Santorum |
| DeWine | Kyl | Stevens |
| Domenici | Landrieu | Thomas |
| Ensign | Lieberman | Thompson |
| Fitzgerald | Lincoln | Voinovich |
| Frist | Lott | |

NAYS—61

| | | |
|---|---|---|
| Akaka | Dayton | Nelson (FL) |
| Allen | Dodd | Nelson (NE) |
| Bayh | Dorgan | Reed |
| Biden | Durbin | Reid |
| Bingaman | Edwards | Rockefeller |
| Boxer | Enzi | Sarbanes |
| Bunning | Feingold | Schumer |
| Burns | Feinstein | Sessions |
| Byrd | Graham | Shelby |
| Campbell | Harkin | Smith (NH) |
| Cantwell | Hollings | Smith (OR) |
| Carnahan | Inouye | Snowe |
| Carper | Jeffords | Specter |
| Cleland | Johnson | Stabenow |
| Clinton | Kennedy | Thurmond |
| Collins | Kerry | Torricelli |
| Conrad | Kohl | Warner |
| Corzine | Leahy | Wellstone |
| Craig | Levin | Wyden |
| Crapo | Mikulski | |
| Daschle | Murray | |

NOT VOTING—1

Helms

The motion was rejected.

Mr. REID. Madam President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BAUCUS. Madam President, I ask unanimous consent the order for the quorum call be rescinded.

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

Mr. BAUCUS. Madam President, I rise today to discuss U.S. trade remedy laws—antidumping, anti-subsidy, and safeguard laws.

Senators DAYTON and CRAIG have offered an amendment on this important issue. I want to say a few words about our trade laws. While much of this year's debate over fast track has centered around labor and environment, there has been less talk about the equally important issue of U.S. trade laws—specifically, how we will ensure that these laws are not weakened in future trade negotiations. This is not an academic issue. In Doha last November, our trade negotiators put U.S. trade laws on the negotiating table. I believe that was a mistake. And I want to make it clear now: This Senate and this Congress will not tolerate weakening changes to our trade laws.

It is a grave mistake to suggest that the United States must weaken its trade laws to be a participant in future trade negotiations. There is virtually no political support for such a position. The last tabling motion showed that. There were 61 Senators who voted not to table the underlying amendment. This point was made clear in the letter sent to the President last year by nearly two-thirds of the Senate.

I ask unanimous consent that a copy of this letter be printed in the RECORD.

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

MAY 7, 2001.

THE PRESIDENT,
*The White House,*
*Washington, DC.*

DEAR MR. PRESIDENT: We are writing to state our strong opposition to any international trade agreement that would weaken U.S. trade laws.

Key U.S. trade laws, including antidumping law, countervailing duty law, Section 201, and Section 301, are a critical element of U.S. trade policy. A wide range of agricultural and industrial sectors has successfully employed these statutes to address trade problems. Unfortunately, experience suggests that many other industries are likely to have occasion to rely upon them in future years.

Each of these laws is fully consistent with U.S. obligations under the World Trade Organization (WTO) and other trade agreements. Moreover, these laws actually promote free trade by countering practices that both distort trade and are condemned by international trading rules.

U.S. trade laws provide American workers and industries the guarantee that, if the United States pursues trade liberalization, it will also protect them against unfair foreign trade practices and allow time for them to address serious import surges. They are part of a political bargain struck with Congress and the American people under which the United States has pursued market opening trade agreements in the past.

Congress has made clear its position on this matter. In draft fast track legislation considered in 1997, both Houses of Congress have included strong provisions directing trade negotiators not to weaken U.S. trade laws. Congress has restated this position in resolutions, letters, and through other means.

Unfortunately, some of our trading partners, many of whom maintain serious unfair trade practices, continue to seek to weaken these laws. This may simply be posturing by those who oppose further market opening, but—whatever the motive—the United States should no longer use its trade laws as bargaining chips in trade negotiations nor

agree to any provision that weaken or undermine U.S. trade laws.

We look forward to your response.

Sincerely,

Baucus, DeWine, Specter, Rockefeller, Kerry, Byrd, Hollings, Conrad, Voinovich, Snowe, Bingaman, Collins, Santorum, Graham, Thomas, Durbin, Torricelli, Enzi, Murray, Dorgan, Akaka, Inouye, Landrieu, Boxer, Breaux, Craig, Helms, Edwards, Sarbanes, Lincoln, Johnson, Dayton, Mikulski, Lott, Daschle, Bayh, Dodd, Wellstone, McConnell, Sessions, Kennedy, Clinton, Thurmond, Schumer, Bunning, Carnahan, Cleland, Wyden, Levin, Crapo, Feinstein, Cantwell, Burns, Stabenow, Carper, Miller, Smith of New Hampshire, Smith of Oregon, Reid, Harkin, Shelby, Lieberman.

Mr. BAUCUS. Our trading partners should also understand this point. There are many countries that want to weaken U.S. trade laws. Why? Because they want to be able, if you will, to dump subsidized products—ship products that violate the basic principles of WTO—within the United States.

It is very difficult for us to protect ourselves if we don't have our antidumping and countervailing duty and section 201 trade laws.

I must say almost every country in the world, and certainly many in South America, are eager to negotiate free trade agreements with the United States. There are many South American countries that want to do so. Unfortunately, a thorn in our side and a thorn in the side of the countries in our joint effort to try to reach agreement on FTAA, for example, I say very respectfully, is the country of Brazil.

I think it is important to step back and ask why countries such as Brazil want us to weaken our trade laws. The answer, of course is pretty simple: their companies and their workers will benefit—at the expense of ours.

In the last couple of years, there has been considerable debate regarding the use of trade laws in the context of the steel import crisis. Last year, the administration and the Senate Finance Committee worked together to initiate a ''section 201'' investigation, which allows relief where an industry has been seriously injured by imports. The case of steel is well known—international overcapacity and unfair trade practices have been the norm for decades. But unfair trade practices are not limited to the steel industry. Foreign governments have sought to undercut other strategic U.S. industries—including semiconductors, consumer electronics, and supercomputers.

That last point is important—so I want to emphasize it again. Foreign governments have sought to harm American companies and workers. Opponents of dumping laws often suggest that if a foreign company wants to sell us a product cheaply we, should take advantage of that. After all isn't that what, competition is all about? But that view is far too simplistic. Companies can succeed in dumping over an extended period of time *only* if supported by government policies—trade barriers, subsidies, lax enforcement of their own antitrust laws.

Profits gained in protected foreign markets allow foreign companies to splash prices in the United States in order to gain market share. Indeed, efficient American mills must compete with foreign mills that produce steel regardless of need. Foreign steel mills often act as little more than subsidized work programs.

I might digress slightly. The same is true with subsidized lumber in Canada. They are tantamount to subsidized work programs and subsidized timber production in the lumber industry to such a great degree.

In 1999, for example, foreign overcapacity was more than two times as great as the total annual steel consumption in the United States.

With other export markets largely closed, there is an overwhelming incentive to send underpriced steel to the open U.S. market. Let me repeat that point. Other countries tend to close their markets to companies and countries that dump steel or subsidize steel production. So what happens? That steel tends to be diverted to the United States because we, by comparison, have such an open market compared with other countries that otherwise import steel.

So without fair trade laws, investment dollars would simply not flow to American companies. For example, why would anybody invest in a U.S. company, even a highly efficient one, that could so easily be undercut by unfair foreign competition?

So it is not only a matter of workers, employees getting jobs in the United States, but it is also foreign investment and domestic investment in American companies in the United States.

A smart investor would invest in a company where its government protected its market share.

Still, the point is argued, why not just allow consumers to take advantage of cheap products? It certainly is true there may be a short-term advantage for consumers and consuming industries. But over the long term, we risk gutting our manufacturing base and gutting the technological edge of American companies.

Just think about it a second. If other countries dump, how can we invest in the United States to gain and maintain a technological edge?

For any consuming industry complaining about the use of our trade laws in the steel industry, just ask yourself what their reaction would be to foreign governments targeting their industry.

But beyond economic rationale, we risk losing the political support for trade. Trade laws are part of the political bargain. If free trade is not perceived as fair, Americans will not support it. Why would Americans support free trade if the perception is that it exposes them to foreign governments' unfair trade practices?

Consider also the consequences if we do not have effective trade laws. Trade laws ensure uniform treatment. In bad economic times, there will always be calls to take action against imports. Without consistent and transparent trade laws, those calls will come for general trade barriers against imports. The internationally negotiated trade laws we currently follow seek to provide an objective set of criteria. I might add, our trade laws are totally WTO consistent, a point some critics forget to mention.

Some have also asked whether we really need to worry about our laws being weakened in international negotiations. Recent history demonstrates why we should be concerned.

I might say, NAFTA's dispute resolution procedures under chapter 19 have significantly undermined our enforcement of U.S. trade laws. Both the GATT Tokyo Round and the Uruguay Round weakened our antidumping and safeguard rules; that is, it happens, it is not just theory. It is happening. And our laws continue to be attacked and weakened by dispute panels exceeding their authority.

Some have suggested we use negotiations as an opportunity to address due process and transparency concerns in the application of other countries' trade laws. But remember that fast track is only used to change U.S. laws. If we are only looking at the laws of foreign governments, we can resolve those differences outside of the U.S. implementing legislation.

As for difficulties encountered by U.S. exporters facing foreign countries' trade remedy actions, those are problems of compliance with the existing WTO rules, not problems requiring us to revisit the rules themselves.

Let me now turn to the Senate bill. I want to make sure my colleagues appreciate the strong provisions protecting U.S. trade laws.

First, as was the case in the House legislation, our bill provides that the President must not undercut U.S. trade laws and should also seek to put an end to the foreign practices that make trade laws necessary in the first place. Section 2102(c)(9) of the bill states, first, that the President shall:

(A) preserve the ability of the United States to enforce rigorously its trade laws, including the antidumping, countervailing duty, and safeguard laws, and avoid agreements that lessen the effectiveness of domestic and international disciplines on unfair trade, especially dumping and subsidies, or that lessen the effectiveness of domestic and international safeguard provisions. . . .

Pretty strong stuff.

Second, the bill states the President shall—I underline the word ''shall'':

(B) address and remedy market distortions that lead to dumping and subsidization including overcapacity, cartelization, and market access barriers.

In addition, the Senate bill makes important additions to the House bill.

Under this legislation, the Secretary of Commerce must form a strategy to

seek improved adherence to WTO dispute settlement panels to the standards of review contained in the WTO agreements or lose fast-track procedures.

In findings, the legislation identifies particular concerns regarding recent WTO decisions affecting U.S. trade laws.

The Senate bill also requires that the chairmen and the ranking members of the Finance and Ways and Means Committees to separately determine whether any changes to U.S. trade laws are consistent with the negotiated objective of not weakening U.S. trade laws.

Another protection: The President must notify the Finance and Ways and Means Committees of any proposed changes to U.S. trade laws; and, following a report by the chairmen and ranking members, the President must separately explain how proposed changes are consistent with the negotiating objectives established in the fast-track legislation.

When it comes to protecting U.S. trade laws, I believe the Senate bill is a strong bill. But let me end by emphasizing the importance of these laws.

Why do our trade agreements basically work? They work only because there is respect for the agreements themselves, and for the enforcement of those agreements. But how long will Americans support new negotiations or existing agreements if they see foreign governments taking advantage of us?

I believe the language in this fast-track bill makes it very clear that Congress will not tolerate weakening changes to U.S. trade laws. And I—and the great majority of my colleagues—will continue to pursue this issue as we move forward in future trade negotiations.

I yield the floor.

The PRESIDING OFFICER (Mr. CARPER). The Senator from Texas.

Mr. GRAMM. Mr. President, I want to talk about trade promotion authority. I want to talk a little bit about the history of how we came to be here. I want to talk about why this issue is so critically important. I want to talk about the Craig amendment. And I want to talk about how we are reaching a point where we are beginning to endanger trade promotion authority altogether.

This is a lot to talk about, and I know there are a lot of other people who want to speak, so let me begin. And let me start at a logical point: 1934.

Imagine that it is 1934 in America. One out of every three Americans is out of work. The gross domestic product of the country has declined by almost a third. We have adopted a series of protective tariffs including the onerous Smoot-Hawley tariffs initiated by Republicans and supported by Democrats. And in the process, we not only have a depression in our own country, but we, by starting a trade war worldwide, have turned the global recession of 1929 and 1930 into a global depression.

And in that humbling moment of 1934, where everything we did related to trade and the economy was wrong, there was a rare bipartisan consensus. It occurred because the country was in so much trouble, and because there was a recognition that we had created our own problem. At that moment in 1934, Republicans and Democrats got together and passed what was called the Reciprocal Trade Agreements Act. That Act allowed the President to negotiate 29 trade agreements between 1934 and 1945. We literally were the leader in starting up world trade again.

As world trade was reignited, as our economy started to grow, and as we fought and won World War II, the bipartisan consensus on trade grew. We saw that trade is a good thing that promotes jobs, growth, opportunity, prosperity, and freedom. The bipartisan consensus expanded to the point where in 1948 we adopted the General Agreement on Tariffs and Trade, known as GATT, and initiated a worldwide effort to try to open up global trade.

Subsequently, from 1947 to 1963, we completed five successful negotiating rounds under GATT. But then, in 1962, something happened that is highly relevant to the debate we are having today over the Dayton amendment. By 1962, the principal impediment to trade in the world was not protective tariffs. Instead, the key impediment was non-tariff measures anti-trade laws adopted by countries that limited the ability of trade to flow freely. For example, countries began to adopt laws allowing producers within a country to get special protection if they were harmed by trade, and allowing countries to subsidize their exports if they felt they were losing out in trade.

By 1962, therefore, President Kennedy recognized it was no longer enough to negotiate tariff reductions. We needed to negotiate away all the barriers that we and other countries had put up that consisted not of tariffs, but of non-tariff trade protections. Therefore, the Kennedy Round focused on issues such as countries' use of export subsidies, and of anti-dumping laws. When the Kennedy Round of negotiations was completed, it addressed not only tariffs, but sought to establish some worldwide rules related to countries' use of anti-trade laws.

But at that point, when presented with the Kennedy Round by the Johnson Administration, Congress approved legislation undoing the provisions of the Kennedy Round Agreement that related to anti-trade items such as export subsidies—the very provisions we are debating today in the Dayton amendment. Congress effectively amended the deal. The Kennedy Round of negotiations was agreed to by other GATT members and became the new foundation for world trade. But because Congress basically changed the deal, the United States did not participate in or get the full benefits of the Kennedy Round. We had negotiated this entire set of agreements with our trading partners. But when we changed one critical ingredient, our trading partners said: We are not willing to negotiate with the United States and then let Congress strike the parts in which the United States made concessions and yet leave the parts where we, the United States' trading partners, made our concessions.

When the Kennedy Round went ahead without the United States in 1967, so shocked was Congress that in 1974 we created a new process that today is known as fast track. And every succeeding President since President Ford has had fast-track trade authority. That trade authority has allowed the President to go out and negotiate agreements with our trading partners. In those agreements we give up some things we don't want to give up, and our partners give up some things they don't want to give up, but the United States and the group of countries involved decide that overall, the trade agreement is in their interest. And that was the procedure that we had in place until 1994, when the fast-track provisions expired.

Since then, we have found that few countries in the world are willing to negotiate with us, because any trade agreement negotiated could be amended in Congress. Obviously, countries are not willing to make concessions that bind them when our concessions would not bind us should Congress decide to change them.

As a result, there are some 130 trade agreements worldwide that we in the United States are not part of. For example, Europe has negotiated an expanded trade agreement with South American nations. We have no similar agreement. Mexico has negotiated and successfully completed free trade agreements with Central and South American nations. We have no such agreements. Canada has negotiated free trade agreements with South American nations. We have been unable to have such agreements. So today, appliances that could be produced cheaper and better in the United States are being sold in Chile today by Canadian manufacturers because their manufacturers have an advantage over ours: they have a free trade agreement that means lower tariffs. Chilean consumers could buy better American appliances cheaper, but without a trade agreement, they can't buy them without having to pay a tariff. Canada benefits from that trade, and we do not.

We have come here today to try to set this situation straight. We have come here today to try to give the President the authority to promote American exports and to engage in trade liberalization around the world.

Without getting into a long harangue about it, let me say that Republicans have been asked to pay a tremendous level of tribute to get to this point. The President asked the Senate for an up-or-down vote on trade promotion authority. That request was denied. Instead, the majority has said that to get

a vote on trade promotion authority, we must add a trade adjustment assistance bill to it, and that bill must contain a new provision requiring the government to pay 70 percent of the health care costs of people who lose their jobs because of trade, even though many Americans have no health care benefit when they are working.

Moreover, we have been asked to agree—and to this point we reluctantly have agreed—that if you are a worker whose company is affected by trade and is not competitive, you get not only 2 years of unemployment and 70 percent of your health care benefit, but you get part of your wages paid for by the government. Let's say you lose your job in the steel mill but you have always wanted to be a batboy for the Pittsburgh Pirates. If you take the lower-paying job as a batboy, we will supplement your wages to make up half the difference of what you lost in salary from the steel mill wages as compared to the Pittsburgh Pirates bat boy wages. Meanwhile, if you lose your job because a terrorist destroys the factory you work in, you get 6 months unemployment and you get no health care.

It is fair to say that there are 45 Republican Members of the Senate who are adamantly opposed—adamantly opposed—to those provisions. We have created two new entitlements that are unfunded and that nobody knows what they cost. We are creating the incredible anomaly where we will be taxing people who are working and who don't have health insurance in order to subsidize 70 percent of the health care costs of certain people who are unemployed but had health insurance when they worked. They now will be getting a taxpayer subsidy, even though the people paying the subsidy don't have health care themselves. And we are being asked to sign on to a system where the American Government for the first time is going to get into wage guarantees. There is no sense beating this old dead horse, but let me say that these are the same kinds of deals that Europe is desperately trying to get out of. They can't create jobs because they can't cut old jobs because they have to pay all these benefits. Yet in this tribute we are having to pay to get the trade bill, we are going in the direction that the Europeans are actively trying to get out of. We are going in the direction of imposing heavy socialistic programs that are going to have a stifling effect on the budget.

And now, in the midst of a bill that already has all these provisions that 45 Republicans hate, that will drive up the deficit, that will make the economy less competitive, and that create a terrible injustice in the system, we now are presented with an amendment before us that will literally undo fast-track authority by allowing Congress to change the deal.

Can you imagine if in buying and selling a house, or any other commonplace negotiation, you suddenly are told you must pay more than you negotiated to pay? Can you imagine how commerce would break down when deals can be renegotiated after the negotiations are done?

The whole purpose of paying this heavy tribute, and adopting all this terrible, harmful public policy is to get the positive effect of fast track whereby there is an up-or-down vote on accepting the negotiated deal. But now in comes the Dayton-Craig amendment that says to the President, OK, you can negotiate, you can give, you can take, but when the trade bill comes back, if you have negotiated in areas where Congress has written laws to hinder trade, then we get to vote on those provisions separately. And if you cannot get 51 votes, then those provisions are taken out.

What country in the world is going to be foolish enough to negotiate with us when they know there is going to be a separate vote on the parts of the agreement that we in the United States like the least? We would never negotiate with another country under circumstances where their legislative body could take out the parts of the negotiation they did not like but leave in the parts we did not like.

This amendment kills trade promotion authority because it is counter to the very thesis that underlies it. What is trade promotion authority about if it is not about an up-or-down vote on a trade agreement, without amendment? How can a provision which allows part of an agreement—the part that is likely to be least popular in the United States—to be voted on separately? How can anybody be confused that this amendment absolutely kills trade promotion authority?

As the Dayton-Craig amendment has been debated, people have gotten the idea that this amendment has to do only with unfair trade practices. But most of this amendment has nothing whatsoever to do with unfair trade practices. And even where it does, it is obvious on its face that if we could negotiate agreements to fix those practices both here and in our trading partners' countries, we would want to do it.

Let me now go through the provisions of law that would be affected by the Dayton-Craig amendment.

First, the Dayton-Craig amendment says that Congress would have the right to strike, by majority vote, any provision that would limit actions against foreign subsidies such as income or price supports. The first law the amendment talks about title VII of the Tariff Act of 1930, which includes our countervailing duty law. What is that law about? That law is about American taxpayers subsidizing American producers to compensate for the subsidies that foreign governments are giving to their manufacturers and their agricultural producers.

I ask my colleagues, when we cannot sell our agricultural products in Europe because of their subsidies, when we have spent 25 years trying to get them to reduce those subsidies, why in the world would we want to set forth a rule saying that American negotiators can negotiate anything except agricultural subsidies. Why in the world would we ever want to ban negotiations in which the Europeans agree to cut their subsidies and we agree to cut ours? Yet by taking subsidy disciplines off the table, that effectively is what we'd be doing.

What this amendment really would like to do is allow negotiations reducing European and American agricultural subsidies to go forward, but once that agreement gets over here, allow Congress to strike the provisions reducing American agricultural subsidies. Why in the world would the Europeans ever enter into such an agreement? They would never enter into such an agreement.

When 60 cents out of every dollar of farm income in America now is coming directly from the Government, when we are paying farmers literally millions of dollars to produce products that we end up having to dump on the world market, and when we claim we do this because our foreign competitors are doing the same thing, why in the world should we prevent the President from getting together the major agriculture-producing countries and saying let's stop cheating, let's get rid of these income and price support subsidy programs so we can have freer trade in agriculture?

My point is that this amendment would ban for all practical purposes all agreements that have to do with export subsidies. It would ban any agreement that has to do with eliminating the unfair trade practice of subsidies by us or by our competitors. I want my colleagues to understand that when the proponents of this amendment stand up and say they simply do not want agreements that undermine our laws protecting Americans and American producers, what they are really talking about is our ability to negotiate away harmful subsidies. Why in the world should we not be negotiating with the Europeans, the Koreans, or the Japanese to suggest that we all reduce the amount of subsidies that we are paying to dump steel on the world market? Why don't we all agree to reduce the subsidies that are resulting in overproduction of agricultural products?

The net result of this provision will not be to protect American manufacturers and farmers from losing their subsidies. The result of this amendment, if adopted, will be that there will never be another trade agreement that has anything to do with reducing export subsidies. And of all the nations on Earth, we would be the biggest beneficiary of such an agreement. What country in the world can outproduce Iowa in agriculture? We could sell billions of dollars of agricultural products in Europe if we could negotiate an end to export subsidies. Why should we prohibit the President from negotiating them? We ought to be encouraging him to negotiate them. But this amendment, despite all the rhetoric about

eliminating our ability to protect our producers from unfair trade, protects us right out of being able to eliminate unfair trade.

The second provision of the Dayton-Craig amendment refers to our antidumping laws. Now, on its surface, the amendment sounds good. The President would not be able to negotiate anything that would prevent America from protecting its producers from dumping. In other words, we will not be dumped upon. But what does dumping mean?

First of all, dumping means all these low-price quality items Americans can buy for their families at department stores. But forget for a moment that American families enjoy a better quality of life from low-price imports. Why shouldn't we negotiate an agreement that says why should we subsidize products to dump on your market and why should you subsidize products to dump on our market when we could get together and negotiate an armistice where we both stop dumping?

When one listens to the rhetoric of supporters of the Dayton-Craig amendment, gosh, it sounds appealing. They say, do not eliminate our protections against dumping. But when we protect our right to dump and our right to protect ourselves against dumping, we effectively eliminate our ability to negotiate for a world where we stop dumping by everybody. That just does not make sense to me.

Third, another law covered by the Dayton-Craig amendment is Section 337, which relates to U.S. patents and copyrights. From listening to the rhetoric, you might think the amendment says that anything the President might do that weakens American patents and copyrights will require a separate vote.

But who owns all the patents and copyrights in the world? What nation in the world has tried to write language protecting patents and copyrights into every trade agreement since 1948? The United States of America. We are the only country in the world that wants to talk about copyrights and patents. Why? Because we own copyrights, and we own patents. Why in the world would we want to bar the President from holding negotiations in the very areas where the United States will benefit the most? If we, who hold the vast majority of the copyrights and patents in the world, could negotiate an international agreement on respecting copyrights and patents, would we not be the principal beneficiary of it?

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

Mr. GRAMM. I will be happy to yield, but let me finish this one point.

How can we get other countries to submit to negotiate on their patent and copyright laws if we say that we want you to change your laws but we are totally unwilling or unable to negotiate on our laws?

I will be happy to yield.

Mr. DAYTON. The Senator raises an excellent point. There are negotiations that occur that are in the best interest of the United States. Of course, we want to encourage those negotiations to proceed. Is the Senator aware there is nothing in the Dayton-Craig amendment that would require the Senate to step in on these matters? It simply permits the Senate, by a majority of the Members, to do so if, in the view of the majority of the Members, what has been negotiated is not in the best interest of the United States.

Mr. GRAMM. Let me respond. The Senator asks whether I am aware that the Senate could decide not to strip out this provision. Yes, I am aware of that point. But every country with whom we wanted to negotiate would realize that Congress nonetheless had the ability to strip provisions out. And what country would negotiate changes to its patent and copyright laws knowing that whatever change to we agreed to could be stripped out?

Let me use a contracts example. I have only a limited number of contracts examples because I am an old schoolteacher and have been a politician for a long time, and most of the examples I have are consumer examples. But what if we had negotiated a contract that I would buy your house, but we wrote into the contract that I had the ability to change one part of the contract to suit me but that you did not have a right to change a part of the contract to suit you? No party to a contract would agree to that.

I am not talking about changing copyrights and patents unilaterally. I am talking about reciprocal commitments. Congress has passed resolutions again and again demanding that trade agreements require our trading partners to change their copyright and patent laws. It has been something we have trumpeted, it is in our interest, and we should be promoting it everywhere. But how are we going to get countries to change their laws when any changes we agree to can be voted on separately? As much as I might want your house, and even if I offer a very good price, if I can come back after the contract is signed and change the price, you are not going to negotiate with me.

Mr. DAYTON. Will the Senator yield?

Mr. GRAMM. I will be happy to yield.

Mr. DAYTON. I agree with the Senator that certainly under the terms the Senator describes, my understanding of the way this would work, if there were an agreement and the United States, by an act of this body, changed the terms of that agreement, the agreement would not be valid; the agreement would not apply.

I certainly agree with the Senator there would be no country that would want to sign and agree to something that can be changed unilaterally and still apply. My understanding is the entire agreement would have to go back to the World Trade Organization, or wherever, to be renegotiated.

Mr. GRAMM. Let me make up an example. Let's say we are negotiating with the Chinese on a trade agreement, and one of the provisions we want is for them to recognize and respect our patents and copyrights on everything from books to CDs to DVDs. If you go to China, you will see that while you cannot bring them back with you because our Customs will not let you, and for good reason, everywhere in China you can buy pirated CDs, DVDs, books, and the like. Let's say we could work out an agreement with them that required enforcement against patent infringement in return for our reducing a patent term on an AIDS medicine or on some broad spectrum antibiotic that is important to their population's general health. Even if we had to compensate the United States patent holder because of the takings provision, there might very well be a good deal in the making there. Yet, we could not make that deal if a separate vote were allowed.

My example may be somewhat unrealistic, and I am sure if Ambassador Zoellick were here he would have 100 good examples, but I think it makes the point.

Let me go to the next provision of law that would be covered by the Dayton-Craig amendment. The third area has to do with section 201. The proponents of this amendment say over and over that we cannot negotiate away our protections against unfair trade. Yet Section 201 has nothing to do with unfair trade. It makes no pretense at unfair trade. Section 201 simply is a remedy whereby American producers can get relief if foreign competition is successful and if the injured American producers can show they are losing jobs because of imports.

It has nothing to do with unfair trade. In a sense, it has to do with successful trade. Granted, we are concerned about Americans losing their jobs, and we have assistance programs to give them some cushion. But is there anybody here who cannot imagine that we might be willing to eliminate those protective barriers in return for the elimination of similar barriers in Europe, Japan, Korea, or China? Or that we might find a better way to compensate and protect injured companies, perhaps through trade adjustment assistance?

This whole debate, the whole title of the amendment, the whole preamble to the amendment, is about unfair trade. Yet probably the most important laws covered by this amendment has nothing to do with unfair trade.

Am I in favor of unilaterally waiving every 201 right in America? The answer is ''No.'' But my point is that if we could eliminate similar barriers against American exports, can no one imagine the possibility there might be an agreement that would be advantageous to everybody? Yet no such agreement could ever be consummated under the Dayton-Craig amendment because nobody would negotiate the elimination of their protective safeguard against American exports unless

we eliminate or modify our Section 201 provision. Negotiation in this area would be a nonstarter.

As I said when I started my remarks, our need for fast track arose in the Kennedy Round, when President Kennedy recognized that the greatest impediment to trade was no longer tariffs but domestic laws that limited trade. It was when he tried to change those laws that Congress came in and changed the deal. The Kennedy Round went into effect without our being a party to it, all because of the issues that are raised by the amendment before the Senate. The Round died for exactly the issue that are listed here in the Dayton-Craig amendment. The recognition that you cannot change a negotiated deal after the fact is what led to enactment of fast track. Senator BAUCUS and I were involved in negotiations the other day. There are a lot of things in that final deal I really do not like. But I do not have the right to go back after the fact and say Senator BAUCUS gave up on items A, B, C, D, and E, which is great, but I want to renegotiate and change our deal. I do not have a right to do that. A deal is a deal. That is the very issue the Senate is dealing with here.

The next provisions of law covered by the Dayton-Craig amendment are chapters 2, 3, and 5 of title II of the Trade Act of 1974. This is the fourth so-called unfair trade protection provision. Yet as one reads those chapters, they have nothing to do with unfair trade. They simply have to do with the assistance provided to companies and workers negatively affected by imports or by a company's shift in production. Some may not favor shifts in production, but when did it turn into an unfair trade practice? Every day, Americans are moving investments from one country to another. We are the world's largest investor. In fact one of the things we are trying to do in the underlying bill is to get other countries to allow investment in America and allow greater freedom for American investments in their country.

Even if a shift in production were an unfair trade practice, how could we say to countries that we want to negotiate away prohibitions you have against producing in the United States, but we aren't willing to do the same? Remember when we had the big battle with Japan over autos? We wanted them to produce some of their automobiles in America, and we negotiated over it, and in fact they did increase production here. But why would they ever negotiate if we have said in advance that we are not willing to eliminate prohibitions against plant relocation in our own country? Why should the Japanese allow companies to move out of Japan or set up programs that impede the process if we are not willing to do it?

I could go on at length about the other laws covered by this amendment. The amendment is written very broadly. It may list 5 bills in particular, but it is written so broadly that in my opinion it covers at least 18 other laws that are part of current trade law: for example, section 1317 of the Omnibus Trade and Competitive Act of 1988; the Antidumping Act of 1916; the Continued Dumping and Subsidy Offset Act of 2000; section 516A of the Tariff Act of 1930; section 129 of the Uruguay Round Agreements Act; and the list goes on. The plain truth is, given the way it is written, not even the authors of this amendment truly know what it does.

I will conclude by making some final points. I understand the need for consensus. We do not get to write these bills by ourselves. It requires give and take. My belief, and the belief of the vast majority of members of the Republican Conference in the Senate, is that we have given. We gave on health benefits that are not paid for, that we think represent bad public policy, that take away from poor working people to give to relatively high income, nonworking people. We gave on 2 years of wage guarantee benefits for people affected by trade. Meanwhile, somebody who lost their job because of a terrorist attack gets 6 months of unemployment, no health benefits, and no wage insurance benefits. We are getting to the point where we have already paid for the trade bill, and if this amendment passes on top of those payments, we will not be getting a bill at all.

The principal ingredient of trade promotion authority—in fact the heart of it, in its purest form—is very simply the right of the President, within the parameters we set out in law, to go out and negotiate a trade agreement and bring it back and subject it to a yes-or-no vote in Congress. We do not have the right to amend a trade agreement; we simply have to take the whole thing or reject the whole thing. That is what trade promotion authority, or fast track, is. Yet the pending amendment says the President does not get an up-or-down vote because in some 23 different areas of law, many of which have absolutely nothing to do with unfair trade, we can have a separate vote and if a majority votes to make a change, then the trade agreement is modified. Under those circumstances, nobody will negotiate with us and the President effectively does not have fast-track authority.

So what we have is a bill that claims to be about fast-track authority, which is a single take-it-or-leave-it vote on a deal. And yet we have an amendment before us that eliminates that provision and requires a separate vote on things in the agreement that we do not like.

I do not see how the two can be reconciled. It seems to me that when you are voting for this amendment, you are voting against trade promotion authority. I do not think you can have it both ways. You cannot say on the one hand that we will give the President the right to get his agreements voted on up or down, take it or leave it, yes or no; and then on the other hand say we can adopt an amendment that says but of course on some 23 different provisions of law we don't have to take it or leave it, we can change it.

Today, through a letter from the Secretary of Agriculture, the Secretary of Commerce, and the Trade Representative, the President rightfully has indicated that he will veto the bill if the Dayton-Craig amendment is included in it.

To conclude, we paid a very heavy price to get fast track, and this amendment takes fast track away. Rather than pay all these new tributes—the expanded trade adjustment assistance, these new health benefits that are not paid for, the new entitlements that are not paid for, this wage insurance that smells very much like the programs that are killing some European countries that have not created a net new job in countries in 20 years—we are quickly reaching the point where even the strongest proponents of free trade have to say this amendment breaks the axle of the wagon. Even the strongest proponents are saying that with all else we paid to get a vote on the trade promotion authority bill, if this amendment is in the bill it means we don't have trade promotion authority, so why pay for all the other things?

I urge my colleagues as we try to find a solution to this problem. That solution might be a compromise in which we set up an oversight committee to allow those concerned about these laws to monitor negotiations, and provide 90 days' notice of any potential trade agreement that changed any of these laws. There are many ways we can enhance the ability of Members to be involved and get advance notice to allow them build political opposition. I hope those who want to pass this bill will find a way to get around this dilemma.

We are already at the point that given what we are already paying for this bill, it almost is not worth it. I believe that at this point, many Republican Members of the Senate are holding their nose and saying: OK, we have to do a bunch of bad things, but we will get trade promotion authority and maybe some of the bad things will be addressed in conference. But over and over bills have gotten worse, not better, in conference. If you are for trade promotion authority, if you want the deal we put together to work, I believe we need help in finding a way to respond to the concerns raised without providing for a separate vote, because a separate vote destroys trade promotion authority.

If the two Senators who offered the amendment wanted to be on the oversight committee for the Senate, I would be willing to write the bill to make sure they were put on it. I don't have any objection to oversight and I am for notice. Then, if people were getting ready to vote against a fast-tracked trade agreement, they could tell the President that if he makes these changes, he is jeopardizing my vote. And they would have 90 days to build up an alliance to lobby against it.

When ''lobbying'' is mentioned people say oh gosh, that's terrible, terrible. But making your voice heard is a good thing guaranteed under the Constitution.

But what we cannot agree to without killing the underlying bill is Congress' ability to change the trade agreement once it has been negotiated. The President must be able to say to our trading partner that a deal is a deal; not that wait, it was a deal, but the part we agreed to that we did not like is not a deal because 51 Members of the Senate decided to amend it.

I accept and am for the process whereby 51 Members of the Senate can defeat the implementing bill for a trade agreement. I have never voted against an implementing bill, although I can imagine a trade agreement that I would think was so bad that it was not worth it. I believe I ought to have the right to vote no. And I have that right under fast track or trade promotion authority. But I do not have the right to change the deal.

This amendment would allow Congress to change the deal, which is why it is a killer amendment. It is the antithesis to what trade promotion authority is about. You cannot be for trade promotion authority, which is a single vote on the deal, and then be for an amendment that allows votes to amend the deal. I don't see why the people who are for this amendment don't simply vote against the bill, and let those who are for it have a chance to vote for it. The Dayton-Craig amendment would gut that process. It would leave the Senate in the unhappy position of having a fast track bill that includes an amendment that undoes fast track.

I yield the floor.

The PRESIDING OFFICER (Mr. JOHNSON). The Senator from Idaho.

Mr. CRAIG. Mr. President, I have listened intently to my colleague, the senior Senator from Texas. The reason I do that and I have done that for a good many years, I always learn a great deal. I am always extremely cautious to get on the floor and debate in opposition to a position held by my colleague from Texas, with his skill but, most importantly, his knowledge in this area. It is very important. I hope all listen.

I was taking notes as if I were a student at Texas A&M and he were the economics professor. In fact, that is what we heard today, a rather professorial statement about the ideals of trade in an ideal environment. I disagree not with that statement.

I also agree with the historical perspective that he offered from the 1960s through the 1970s and the Kennedy Round and the circumstances the world found itself in and the need for us to change from being the exclusive holder in a constitutional Republic of the right to determine international commerce flows to one where we delegated that thought by law to the executive, in a great more detail. That, of course, is what we did with fast track. That was the 1960s and the 1970s.

Through that period of the 1970s and the 1980s and the 1990s, the world changed a great deal—really all for our betterment in the broad sense. As economies changed and we invested in world economies, there is no question that the economic engine of the United States drove the world and took a lot of poor countries and made them more prosperous. Part of it was because we allowed access to our markets while at the same time we promoted their markets and invested in their countries. All of that is true, and it will be every bit as true tomorrow and a decade or two from now as it was then. I don't disagree with that.

What I am suggesting is in the year 2002, as we once again search for a way to promote trade, we take a nearly 40-year-old model and say it works, it fits, it is the right thing to do again. Is it the right thing for us to—almost in an exclusive way—delegate full authority to the executive branch in an area that is constitutionally ours? I believe it is. I believe it is with certain conditions that are very limited and very direct. I don't believe they change the dynamics of a relationship and ultimately a negotiation.

It is very difficult to blend a parliamentary government's negotiators and what they understand their role is with that of a constitutional Republic. I know; I have been there. I have seen the frustration of the European parliamentarian who cannot understand why the President's men or women cannot speak for the United States and cut a deal and confirm it and that is the way it will be if the President signs off on it.

The reason they can't is because of us and because of a little item we call the Constitution. While we have delegated that authority by law, we have also said it has to come back here on an up-or-down vote.

What Senator DAYTON and I do is go a slight step further and say that in those areas that are fixed by law, law that we created, you have to come back to us. And not under this sweeping environment and nostalgia and euphoria of a trade package that is going to spin the world into greater economies are we going to pick apart an agreement. What we are saying is simply this. We are saying that you, Mr. President, and your team must come back as advocates and sales men and women. As you sell the whole package, you have to sell a few of the parts.

I hope, ultimately, when we see a conference report, it has a 90-day notification in it that sets the Congress to task in the sense that it notifies it that they will be making some change in current law and we are preparing ourselves, we are looking at it, we are making decisions, and the President's men and women are here on the Hill advocating and saying: It is a quid pro quo: For a reduction here, we get this here; for a reduction in our subsidies in agriculture, the Europeans are going to reduce their subsidies, they are going to take away some of their hidden barriers, and we are going to have greater access to markets.

I think that would sell here in the Senate. I think it would work. I think you could find 50 plus 1 who would support that.

But you have to sell it. We have delegated the authority of negotiation, but we have not delegated the authority and the conditions of final passage. That alone is ours under the Constitution. That is why this is an important debate and, while it may change the character from the historic perspective of fast track, I do not believe it neuters, I do not believe it nullifies, I do not believe it causes our negotiators more encumbrance as they sit down at the table.

That is because right upfront the terms are understood. It does not deny them the right to negotiate anything. Everything is on the table. What it does say to the executive branch of Government is: Come home and sell your product. Come home and convince Congress you have done the right thing and here are all the tradeoffs and the alternatives. Because on the whole Congress agrees with the Senator from Texas: Trade for the whole of our economy and for job creation is very important.

Earlier in the day when I was debating the initial Dayton-Craig amendment as offered, I talked about Idaho's economy. We have to have trade. I know we have to have trade. I am going to work to get trade. But I want to tell the Senator from Texas that a good number of years ago a young man from Texas came to Idaho. He had been from Idaho originally but was working in Texas at a company called Texas Instruments, a little old high-tech company that became a big old powerful, important, and valuable high-tech company. He came home to Idaho, and he convinced a group of investors to go with him and his brother because they had a better idea about how to build memory chips.

They got a group of investors together, and they built a fab, and they started producing memory chips—late 1980s, early 1990s. They were doing a great job building a DRAM memory chip, selling it to the world, and then all of a sudden came the Japanese aggressively into the market, deciding they wanted the market, they were going to control the market. They had built great fab—or fabrication capacity—and they were dumping in our markets. And down went that little company in Idaho.

They came to me and others from Idaho. We went to a President—George Bush—and said: President Bush, if you do not help us, this little company is going to be destroyed and we are going to lose all of our memory chip capacity in this country. There were futurists saying this was the loss of the new intelligentsia, of the U.S. economy, and

if we lost this and gave it away to the Japanese, we would never have this new economy.

The then-President Bush stepped in and said: You are right, and he stuck an antidumping clause against the Japanese—backed them off. At that little fledgling company in Idaho, the lights went back on, they began to produce chips again. Now they are an organization known as Micron. They employ 30,000-plus people. They produce 40 percent of the memory chips of the world. They are Idaho's major employer. And they are in other States. They just bought a fab in Virginia.

But for a moment in time, the President of the United States used antidumping provisions and stopped the Japanese and, in part, shifted the world. From that moment through the decade of the 1990s, until today, this country has led in the area of new technologies. It truly was the economy of the 1990s, in part—a small part but an important part—because we helped shape a marketplace and we disallowed government-sponsored, government-supported manufacturers in other countries from dumping in the world market and, most importantly, in our market.

That is why these tools are important. If they are negotiated away, then it is phenomenally important for this Congress to speak to it. Nowhere do we say they cannot be brought to the table. Nowhere does the Dayton-Craig amendment say they cannot be negotiated. It simply says to the negotiators, our negotiators: You have a job to do. You have a very important job to do, and that is to sell it. And the same logic that sells the whole trade package, 50-plus-1 votes here in this body, blocks a point of order on any changes in trade law. That seems to be reasonable. That seems to be common sense.

We can go through all the provisions, and the Senator from Texas did that and expanded on them and talked about intellectual property and copyrights.

People come to the United States for the purpose of inventing so they can own a piece of their invention and profit by it. That is why we have had copyright law. That is why we have led the world and why we lead the world today in inventions, in new technologies, largely because those who create—those who create through thinking, and that materializes in the form of a useable object in the market, in the laboratory, in the manufacturing unit—can profit by that for a period of time. We protect them.

Yes, we will negotiate those items. But what we will not do is negotiate ours away. We are going to try to make the world a transparent place.

I am amazed that as the world shifted from tariff to antidumping, countervailing kinds of trade remedy laws, as is being argued here today, we would want to back ours off. I understand trading. I understand quid pro quo: You do this and we will do this. But what you do must be transparent, what you do must be enforceable, because what we do as a representative republic, by the very character of our country and the character of our laws, is open. It is done in the public eye. It is done in the arena of the international trade debates.

At the Commission downtown—I have been there to testify; so has the Presiding Officer—we have talked about trade issues. We have talked about agricultural policy. We have argued before the Commissioners to make sure that the findings are correct and they are right. We have been there on Canadian-related issues.

The only reason we are allowed to go is that we have the law so that ultimately, if wrongdoing is found, if dumping is found, there is a remedy. That remedy usually allows us to cause the other country to comply, to come into balance with us. That is what is important here, isn't it? That is what helps our farmers. It doesn't protect them, it helps them. It allows competition in a fair market. It doesn't protect and isolate our manufacturing jobs. It balances it. We hope it makes them competitive.

We had a vote just a few moments ago, and 60 Senators at least disagreed with the motion to table the Dayton-Craig amendment. Here is probably the reason. Let me read this for the record, and then I will step down because others are here to debate.

During the Doha Round of the WTO in Qatar last year, we know our trade ambassador largely believed he was forced to put on the table, as a negotiable item, our trade remedy provisions. We in the Senate were concerned about that. On May 7 of last year, here is what we said:

Dear Mr. President:

We are writing to state our strong opposition to any international trade agreement that would weaken U.S. trade laws.

Key U.S. trade laws, including antidumping law, countervailing duty law, Section 201, and Section 301, are a critical element of U.S. trade policy. A wide range of agricultural and industrial sectors has successfully employed these statutes to address trade problems. Unfortunately, experience suggests that many other industries are likely to have occasion to rely upon them in future years.

Why? Because of a changing, growing, maturing world economy there will be competitors out there. Let's make sure they are fair.

Each of these laws is fully consistent with U.S. obligations under the World Trade Organization and other trade agreements.

Let me repeat: Each of these laws is consistent with U.S. obligations under the World Trade Organization and other trade agreements.

Moreover, these laws actually promote free trade by countering practices that both distort trade and are condemned by international trading rules.

U.S. trade laws provide American workers and industries the guarantee that, if the United States pursues trade liberalization, it will also protect them against unfair foreign trade practices and allow time for them to address serious import surges. They are part of a political bargain struck with Congress and the American people under which the United States has pursued market opening trade agreements in the past.

Congress has made clear its position on this matter. In draft fast track legislation considered in 1997, both Houses of Congress have included strong provisions directing trade negotiators not to weaken U.S. trade laws.

Some of those provisions are in the current document here on the floor to which we are offering an amendment.

Congress has restated this position in resolutions, letters, and through other means.

Unfortunately, some of our trading partners, many of whom maintain serious unfair trade practices, continue to seek to weaken these laws. This may simply be posturing by those who oppose future market opening, but—whatever the motive—the United States should no longer use its trade laws as bargaining chips in trade negotiations nor agree to any provisions that weaken or undermines U.S. trade laws.

We look forward to your response.

Sincerely—

And it is signed by 62 Members of the Congress, Democrat and Republican alike.

What we are offering today in the Dayton-Craig amendment is fully consistent with the letter we sent to the President last May 7. The vote we had an hour or so ago to table the Dayton-Craig amendment is almost to the vote similar to this letter. In other words, I do not believe the Senate has changed its mind. I think the President has a very clear message.

But what is most important is not our President. We want him to negotiate. We want him to put the items on the table. We want him to engage the world. We want to trade. We want our producers to produce for a world market. What we do not want is an agreement struck that is impossible to take. What we do want is for the rest of the world to know that we will, in some ways, protect and provide for the American, the U.S. economy in a way that allows us to prosper while allowing other countries entry into our economy, and we hope they will allow us into theirs, and in fair, balanced, and equitable processes.

That is what is at issue. I believe that is the essence of the debate. Idealism has its place. Academic arguments are critically important. But today we talk about the practical application of the law and our constitutional responsibility, and the impact it has on my farmers and my ranchers and my working men and women, who, like me, believe they have to trade in a world market to stay economically alive.

I yield the floor.

Mr. DAYTON. Will the Senator yield for a brief question?

Mr. CRAIG. Yes, I am happy to yield.

Mr. DAYTON. The Senator raised an excellent point which I had not thought of until the Senator made the point: 62 Senators signed that letter. Sixty-one Senators voted today in support of the Craig-Dayton amendment.

And the one Senator who was necessarily absent was a cosponsor of that amendment.

So does the Senator believe, then, this sends a message when 62 Senators sign a letter that they mean what they say?

Mr. CRAIG. I thank the Senator from Minnesota. The point is well taken.

I yield the floor.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, I ask my friend from North Dakota to yield to me without losing his right to the floor.

Mr. DORGAN. Mr. President, I yield to the Senator from Nevada without losing my right to the floor.

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

The Senator from Nevada.

Mr. REID. Mr. President, I very much appreciate my friend for yielding.

What I want to say is that we have an amendment now before the Senate. I believe we should act on this matter. I have told my friend, the Senator from Iowa, we are not going to do anything as long as he is on the floor. But I would say, through him to my friend from Texas, my dear friend, Senator GRAMM, that if he wants to filibuster this amendment, he is going to have to have a real filibuster. He is not going to be able to come and go from the floor because we have to move on.

I know his heart is in the right place, ''his heart'' meaning Senator GRAMM's heart is in the right place. But we have had a vote this morning that shows 61 Senators are in favor of this amendment. It would seem to me we should move on this amendment and go on to something else.

I spoke to the Senator from North Dakota earlier today. He has at least four or five very substantive amendments. I think we should get on to those. I have spoken to other Senators who have amendments. I know there are approximately 10 amendments from the other side. And it is being held up.

I repeat, if the Senator from Texas wants to conduct a filibuster, he is going to have to conduct a real, honest filibuster, not just tell us he is going to talk a lot on this. If I did not have the relationship I have with my friend from Iowa—and I hope we can work something out—we would have moved the question when the Senator—not this Senator was off the floor but when the Senator from Texas was off the floor.

So I hope we can move forward. There are a number of people who are not real anxious to move this legislation at all. And my friend from Texas, who claims he is in favor of it, is working into the hands of those who do not want to move the legislation. It is kind of a unique twist of logic, as far as I am concerned. I know my friend from Texas is very logical. He has the mind of an academic. And I understand that. But being very base about all this, there are certain parliamentary rules in the Senate, and we are going to stick to them. We are not going to have a gentleman's filibuster. It is going to be a real filibuster or no filibuster.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, the Senator from Nevada makes an interesting point about the difficulty of getting a vote even on amendments that have wide support.

Nearly a week and a half ago I offered my amendment dealing with chapter 11 of NAFTA, to deal with the issue of secret multinational tribunals that consider trade bases behind closed doors. This was an amendment that was bipartisan, and had wide support. I offered my amendment, and there was a tabling motion. We had 67 Members of the Senate vote against tabling, and then we could not get the amendment adopted. A number of days elapsed where we just could not get the amendment adopted.

It appears the same thing is happening here. The same Member of the Senate is doing it. He certainly has a right to do that, but as the Senator from Nevada says, if somebody wants to filibuster this, then let him come to the floor and bring a pitcher of water, get some comfortable shoes on, and stand here for a few hours.

But what I hope we will do is adopt the Dayton-Craig amendment. It is quite clear, from the evidence of the vote on tabling a while ago, that this amendment will pass by a very significant margin. And the sooner the better.

I tell you, I listened, at great length, to my friend from Texas. I must say that I actually taught economics in college for a couple years, but I was able to overcome that experience and go on to lead a different life.

The issue that is before us is not about economic theory. It is about the reality of trade relationships we have with other countries—and what real remedies we have to address that unfair trade.

I am sure there are people listening to this debate or watching this debate, and they think this all sounds like a foreign language: CVD, antidumping, 301, 201, chapter 11.

But trade issues can and should be discussed in terms of how they impact real people. This debate is about real people in our country that decide to form a company, to produce a product and market it, and then have to contend with foreign competition. I have no problem with fair competition—I welcome it. But when our producers' competitors overseas are exploiting the labor of a 12-year-old for 12 cents an hour locked in a garage 12 hours a day, is that fair competition?

Take a person who works in a manufacturing plant and has worked there 22 years, is an honest employee, has committed his or her life to that employer, only to discover that next month the identical product is coming in from Bangladesh or Sri Lanka or Indonesia, produced by children working 12 hours a day or 14 hours a day, getting just cents per hour. Fair competition?

American workers are told that they cannot compete. You, Mr. and Mrs. America, can't compete because working in this factory we have 12-year-olds who will work for less money than you will. They live in countries where it is all right to work them 12 hours a day and pay them $2 at the end of a day. That is not fair competition.

The issue is, what are the remedies? What can we do about that? Should we be able to do something about it? Should our trade laws allow our companies and our workers to do something about trade that they think is fundamentally unfair?

The answer clearly ought to be yes. If the answer is not yes, then just forget about the past 100 years of history dealing with labor and other issues.

There are people who died on the streets in America some three-quarters of a century ago, during the struggle of American labor to get the right to organize and form labor unions. There are people who risked their lives in this country because they demanded that we have a safe workplace. There are people who risked their jobs and their lives fighting for the issue of child labor laws so we could take kids out of the coal mines.

The fact is, we worked on all of these issues for a long time. Over a century this country had to digest these issues. Should we have a requirement for a safe workplace? Should we have child labor laws so people aren't putting 8 and 10 and 12-year-olds down in the mines? Should we have a requirement of a minimum wage? Should we have the right to organize as workers? The answer to all of those issues has been yes. But it was never an easy yes. It took this country decades to get through those discussions and debates. As I said, there were some people who died on the streets during the violence that ensued over those debates.

A century later we have some who say, let's just get a big old pole and pole vault over all those issues and act as if they don't exist. Because you can start a company and you don't have to worry about that. You don't have to worry about whether you hire kids. Just go to another country and hire kids. You don't have to worry about paying a decent wage. You can go somewhere else and pay them 24 cents an hour to put together canvas bags so they can be shipped to Fargo or Los Angeles or Pittsburgh. You don't have to worry about dumping chemicals and pollutants into the streams and the air. Just move your factory somewhere else where they don't have environmental laws, laws that protect the drinking water and the air. You can

just pole vault over all of that and decide to move all these jobs somewhere.

The person who is working in that factory and has been there 22 years says: Wait a second. What has happened to my job?

That person is told: Your job is gone, my friend. Your job is somewhere else because you were too expensive. There are kids who will work for less money in another country. They will work all the overtime hours they are told to work, and they have no recourse.

I happen to believe that expanded trade and fair trade is good for this country. I think it enhances this country. It increases the opportunity for a better economy. But I don't think we can talk about fair trade without addressing the issues I am describing.

We have a lot of people in our country who work hard all day, every day. To be told that somehow they can't compete because someone else can produce that product at a fraction of the price because they don't have to follow any rules, anyplace, anytime, that is not fair trade.

What we have is a situation where globalization is here. No one is attempting to turn back globalization. It is a fact of life today in the world. This is a globalized economy. The question isn't whether globalization. The question is what are the rules for globalization. What are the rules for the global economy?

There is an admission price to this marketplace, and that is fair trade. That is part of what we are trying to define with respect to the rules of the global economy.

My colleagues, Senators DAYTON and CRAIG, have offered an amendment. It is a fairly straightforward amendment. It says that if and when the next trade agreement is negotiated under fast track rules and brought back to the Congress, we ought to have the right to have a separate vote on any provision that diminishes the protections we now have to take action against those who engage in unfair trade practices against our businesses and against our workers.

If they do anything behind a closed door in some foreign land where they negotiate a trade agreement to diminish our protection to take action against unfair trade, we reserve the right to have a separate vote on it.

Let me show you what Mr. Zoellick said in Doha, Qatar. I wonder how many of the Members of the Senate could point to Doha on a world map. I will tell you why this ministerial meeting was held in Doha: Because they couldn't hold it anyplace else. You have to find a place that is very hard to find and has very few hotel rooms in order to avoid the people who will demonstrate against these trade agreements these days. So they picked Doha, Qatar.

Last November at the ministerial meeting, Trade Representative Zoellick agreed that U.S. antidumping laws could be discussed as a new trade round gets underway.

Why is this important? Well, we have laws that say to other countries and other producers, you can't dump your products into this country. You can't, for example, produce a product that costs you $100 to produce and dump it in the American marketplace for $50 apiece to undercut the American producer.

My colleague from Texas said: Gee, that is a good thing, isn't it, that they are going to send a $100 product over here and sell it for $50.

Well, I guess it is a good thing if you don't lose your job as a result of it. I don't know of one Senator or one Member of the House who has ever lost a job because of a bad trade agreement. Just name one, just one man or woman serving in the Senate or House who has ever lost their job because of a bad trade agreement. It is just folks out there who work all day in factories being closed because of bad trade agreements who lose their jobs.

That is not theory. Those are broken dreams. Somebody coming home from work having to say: Honey, they told me I have lost my job today because I can't compete. I can't compete with 50 cents an hour wages, working 12-hour days in a factory where they don't have to worry about pollution. That is what antidumping laws try to remedy.

What Senators DAYTON and CRAIG say with this amendment is very simple: If you want to negotiate an agreement, Mr. Trade Ambassador, that negotiates away our antidumping laws, then Congress has a right to have a separate vote on that provision pertaining to our trade laws. Because this Congress is not any longer going to allow you to dilute or delete the protections and remedies which we have to deal with unfair trade.

I have spoken at length in this Chamber about my concern about our trade policy. We have a trade deficit that is growing and growing and no one cares a whit about it: Over $400 billion a year. Every single day we add over $1 billion to our trade deficit and our current accounts balance.

We used to have debates about deficits in this Chamber, about fiscal policy deficits when the budget deficit was $290 billion and going in the wrong direction. We would have debates, we would have people doing handstands and cartwheels about how awful it was. Not a word about the trade deficit.

One can make the case in theory that the budget deficit is a deficit we owe to ourselves. One cannot make that case about the trade deficit. The trade deficit is going to be paid for by a lower standard of living in America's future, and over $1 billion a day every single day we are adding to the merchandise trade deficit.

This trade policy of ours is not working. We cannot load ourselves up with debt and choke on this trade debt and say: Boy, this is a good thing; this is really working well.

I have been very critical of our trade ambassadors, Republicans and Democrats, for not having the backbone to take action when we see unfair trade. We now have remedies that are not used. Even when they use remedies, I always scratch my head and think: What a strange approach.

We have a little dispute with Europe. The dispute is with respect to beef produced with hormones that are banned in Europe. We went to the WTO, and the WTO ruled in our favor. But Europe said: Fly a kite. Europe would not comply with the WTO requirement, and so we took action against Europe.

Mr. President, do you know what we did to Europe? Our negotiators said: We are imposing sanctions on imports of truffles, Roquefort cheese, and goose liver. That will sure strike fear in the hearts of competitors. Those engaged in unfair trade ought to know from here on forward, America takes tough action to deal with goose liver imports.

My point is, our country does not stand up for its economic interest in international trade very often, and to weaken the remedies that already exist—they did that under the United States-Canada agreement and under NAFTA. Section 22 used to be helpful to us. Not anymore. Section 301 is weakened and diminished as an area of trade protection.

It is interesting, I pointed out the antidumping laws we now have are on the trading block. Our allies who want to get rid of these antidumping laws in our country will negotiate them away, if they can. And by the way, they will do that in secret because the American public and Congress will not be there when it is done. It will be done, in most cases, in a foreign land behind a closed door. They will bring it back here and say: you have one vote on it, yes or no, and it deals with a broad range of issues and you cannot get at the antidumping provision we traded away because you just get a yes or no on the entire product. That is why Senators DAYTON and CRAIG say this is not the right thing to do.

I was interested to hear, this morning, one of my colleagues talk about all of the trade problems we have, as if to suggest we should blame ourselves for the problems. We have trouble getting high-fructose corn syrup into Mexico. So that is our problem? I do not think so. That is Mexico's fault. Grain coming in from Canada by the Canadian Wheat Board unfairly subsidized, that is our problem? Not where I sit it is not. That is Canada's unfair trading practice. I could go on and list a dozen more. Seventy percent tariff on wheat flour into Europe, is that fair? I do not think so.

I cannot even begin to talk about our trade problems with China. And it's not just unfair trade, it's also about badly negotiated trade agreements.

A year and a half ago, we negotiated a bilateral agreement with China. The United States agreed that after a long phase-in with respect to automobiles, any Chinese cars that are sent to the United States will be subject to a 2.5-

percent tariff on them. Any U.S. cars that are sent to China will be subject to a 25-percent tariff.

So we have a 2.5-percent tariff on the Chinese cars coming into our market, but the Chinese can impose a tariff that is 10 times higher on U.S. cars into China. You ask: How did that happen? Because our negotiators negotiated away the store. It is the same squishy-headed nonsense our negotiators do every time they negotiate.

Will Rogers once said—I have told my colleagues this many times—the United States of America has never lost a war and never won a conference. He surely must have been thinking of our trade negotiators. They seem to manage to lose within a week or two of leaving our shores.

Whenever I talk about trade, someone will call my office and say: you are a protectionist. I am not. If protectionism means standing up for America's economic interest, then count me in, sign me up, that is what I want to do but I am not asking for anything special for anybody. I want all our people to have to compete—farmers, businesses, and others. But I want the competition to be fair, and if the competition is not fair, then I want the remedies available to address that unfairness. Those remedies have been weakened dramatically, and they will be weakened further, mark my words, in the next set of negotiations.

This amendment is not in any way, as some have said, a killer amendment. That is not what this amendment is about. If my colleagues want to stand up for American jobs and demand fair trade and demand the remedies that will get you to fair trade, then it seems to me they have an obligation to support this amendment.

I was pleased with the last tabling vote because it showed an overwhelming number of Members of the Senate understand this issue and are no longer going to sit quietly by and say: You go ahead and negotiate. Get on an airplane, go someplace, roll up your shirt sleeves, and negotiate. Whatever you come back with, that is fine, we will handcuff ourselves. You can negotiate away our antidumping laws; you can trade away our remedies; and we will agree to handcuff ourselves and not have a vote on it.

I believe the Senate is finally saying to those who will listen: We are not willing to do that.

I did not support providing fast-track trade authority to President Clinton, and I do not support giving it to President Bush. I say to this administration, as I said to the past administration: Negotiate agreements and you will do so with my best wishes. And I hope you will negotiate good agreements for our country, agreements that stand up for our economic interest, and agreements that demand that the rules for that competition be fair. Then come back, and when you see unfair trade, be willing to stand up, have the guts to stand up for this country's interest.

The reason there is so much anger about trade these days—we see it in the streets during these ministerials, and we hear it in the debates—is because we are so anxious to negotiate the next agreement and so unwilling to enforce the last agreement.

We have done so many agreements with Japan that nobody can even find the agreements. USTR cannot find all the agreements the United States has with Japan, let alone enforce them. We have something like eight to nine people in the Department of Commerce enforcing our trade agreements with respect to China. The same is true with respect to Japan, eight or nine people. Why? Because this country is not serious about enforcing trade laws. This country is serious only about negotiating the next agreement and not caring how many people lose their jobs because of unfair trade that results from that agreement.

My beef with trade is that, A, we negotiate bad agreements and, B, we consistently fail and in most cases refuse to enforce the agreements we do negotiate.

I will conclude by saying this: We have, for the 50 or so years following the Second World War, largely dealt with trade as a matter of foreign policy. For the first 25 years after the Second World War, it was not a problem dealing with trade as foreign policy. This country could tie one hand behind its back and beat anybody at any time in almost anything in international trade. So our concessions in trade to almost every country were concessions that reflected the struggle that economy was having and our ability to help them in that struggle.

The second 25 years after the Second World War, our competitors became shrewd, tough international negotiators. Our trade policy must change to be a trade policy that demands the rules of fair competition, and is no longer about foreign policy.

There is one issue in recent days that demonstrates that trade is still, in many cases, foreign policy, and that is with Cuba. Cuba is a communist country, no question about that. So is China. So is Vietnam. We have people traveling back and forth to China and Vietnam. We trade with China and Vietnam, but we have a 40-year failed embargo with Cuba. Until I and a couple of others from this Chamber fought to get food shipped to Cuba, we could not even ship food to Cuba. Cuba could not buy food from us. That did not hurt Castro. He never missed a meal. It hurt poor, sick, and hungry people. That has finally changed, except we have some people in the State Department who still do not want to ship food to Cuba, and they are trying to impede in every possible way American food from being sold in the country of Cuba. So once again, trade policy is not trade policy, it is foreign policy.

I think it would be smart if we could get some of the folks in the State Department to stop meddling in trade policy. They should start worrying a little more about terrorists with bombs and a little less about Cubans who want to buy beans in this country.

I have taken a long, meandering road to get to the point, but it is therapeutic to talk about these trade issues from time to time. The Dayton-Craig amendment is a very simple, straightforward amendment that this Senate ought to enact and ought to do so soon. We have now been on this amendment a good many hours. These are people who apparently support fast track but do not support the Senate imposing its will with a popular vote, as was the case on a motion to table the Dayton-Craig amendment. I hope that we can get past this and put our trade ambassador and our trading partners on notice, that we will not trade our remedies that exist against unfair trade.

I yield the floor.

The PRESIDING OFFICER. The Senator from Massachusetts.

AMENDMENT NO. 3411 TO AMENDMENT NO. 3401

Mr. KENNEDY. Mr. President, one of the greatest public health challenges we are facing in the world today is the pandemic of AIDS in Africa, increasingly in India and the subcontinent, spreading as well into China, and also the Soviet Union. It is most dramatically expressed in the neediest and the poorest countries of the world.

I think Africa has been on the minds of many of us in the Senate about how we were going to respond and how we were really going to provide international leadership. The United States has been a country that has developed a variety of different medications over the period of recent years, as well as treatment for a wide variety of different kinds of AIDS cases, particularly in the area of pediatric AIDS and other types of challenges that have affected those with HIV. We are now involved in responding to the real challenge of Kofi Annan and the world community in providing world leadership, in providing funding, and being replicated by other countries. We still have a long way to go, but I think many of us who have watched this develop in terms of the breadth of the support from our Members have been impressed that we are finally beginning to measure up, although I think we do have a long way to go.

Having said that, one of the great challenges that these countries have is acquiring the various kinds of prescription drugs they need. One of the issues that will be presented, should this legislation be passed and signed into law, still will be what is the availability of some of these generic drugs, which might provide a lifesaving circumstance to millions of people around the world if they are able to be produced, in these countries that do not have the resources to buy the brand name drugs.

The question has been whether these countries that are facing this kind of extraordinary crisis would be able to issue what is called a compulsory license that would permit them to buy

generic drugs that are being either produced or can be produced in their own country or in another country, and that has been very much an issue. This amendment, which I would offer myself with a number of our colleagues, would make it very clear that if the country itself issued what is called a compulsory license, based upon the critical need and public health disaster they are facing, it could not be considered to be in violation of the trade laws, and they would be able to either develop that capability within the country or, for example, if we were talking about Botswana, which has a high incidence of HIV and AIDS, be able to make contracts with other countries and purchase a generic, which they would be interested in doing, as I understand, with Brazil or other nations.

It is perhaps, in many respects, one of the most important clarifications in terms of the health care crisis of HIV and of AIDS. This provision will make a very substantial difference. The cloudiness that currently surrounds this issue will be eliminated with this amendment. The amendment is very simple. It ensures those countries hit hardest by the AIDS crisis and other public health emergencies will have access to the affordable medicines to address these crises. It does this by expressing support for the Doha declaration on TRIPS and the public health as adopted by the World Trade Organization last November.

The Doha declaration was supported by Ambassador Zoellick, the pharmaceutical industry, and thousands of public health advocates and religious leaders. It is one of the most important global health issues we face today, and I am pleased we could address it in a bipartisan manner.

I will submit a more complete statement for the RECORD, but I acknowledge and thank the chairman, Senator BAUCUS, and Senator GRASSLEY and their staffs for their willingness to consider this amendment.

I am not going to ask that the current amendment be temporarily set aside, but I had the opportunity to talk with the chairman earlier—the ranking member was not present—with his staff, and so at an appropriate time—and I will leave it up to the managers to work out what is the appropriate time—I hope this amendment might be considered favorably.

As I say, this is a matter of enormous importance and incredible consequence. It really will result in the savings of hundreds of thousands of lives. It needs to be clarified in an important way. I welcome the strong bipartisan support of my colleagues who are supportive of this proposal on both sides of the aisle. It will be enormously welcomed by the neediest countries in the world.

AMENDMENT NO. 3408

Mr. WELLSTONE. Mr. President, I rise to support this important amendment. This amendment will help preserve our trade laws by allowing Congress to exclude trade remedy provisions from any agreement receiving fast track consideration. This is extremely important at a time when our trade laws are under attack at the WTO.

Here's how it would work: Should Congress receive a trade agreement containing a provision changing current U.S. trade remedy law, the provision would be subject to a point of order. After hearing the administration's concerns about minority obstructionism, Senators DAYTON and CRAIG changed this amendment so that the point of order is now subject to a simple majority vote. Yet, still the administration opposes this amendment. It opposes the legislature of the United States having a simple up or down vote on a provision of a trade agreement that changes existing law that this body made. In fact, the Secretary of Commerce, the Secretary of Agriculture, and the USTR have said they would strongly recommend to the President that he veto this bill if the Dayton-Craig amendment passes.

This amendment is entirely appropriate. Given many of the trade agreements we have seen, at a minimum, this body should ensure we retain our authority and obligation to fully deliberate and debate and proposed changes to U.S. trade remedy law. The amendment would provide a critical channel through which Senators could act to prevent such undesirable agreements as the one made—in spite of our strong and vocal opposition—at the latest WTO negotiations in Doha: In May 2001, 62 Senators sent a letter to the President specifically opposing any weakening of trade remedy laws in international negotiations; in a subsequent Hill appearance USTR Zoellick made a public commitment to Senator ROCKEFELLER that the administration would not permit this to happen.

At Doha however, other WTO member countries demanded U.S. trade remedy laws be put on the table as a condition of beginning the new round. So, despite the word of the Administration that this would happen—it did. The administration broke its word to us and our trade remedy laws are on the table. With this amendment, we will send a strong message directly to other WTO countries and the administration that the U.S. Senate will not tolerate any weakening of these critical laws.

Oddly enough, while the administration continues to allow our trading partners to rewriter U.S. trade remedy laws, China refuses to even discuss theirs. Accordingly to last Friday's Inside U.S. Trade:

China over the past week continued to resist efforts aimed at reaching agreement on timelines and procedures for information it must provide to the World Trade Organization committees in charge of reviews of its trade remedy laws that were set up as a condition of China's entry to the WTO. China charged this week that these proposed procedures go beyond the obligations of its accession commitments . . . Specifically, China, argues it is not obligated to discuss specific procedures for the reviews of its antidumping, subsidies and safeguards mechanisms.

There is absolutely no reason for us to allow the safeguards provided by our trade laws to be undermined by the concerted efforts other countries in multilateral negotiations. All of our trade remedy laws—from the antidumping and countervailing duties to the Trade Act's section 201 and 301—are entirely consistent with WTO principles and help protect U.S. workers and producers from unfair trade practices.

At a press conference last week, USTR Zoellick said this amendment would prevent the U.S. from negotiating on trade remedies, and because this issue is a priority for U.S. trading partners, the amendment would lead these countries to refuse to negotiate at all. This statement should make it clear to all that not only does this administration believe certain countries are willing to trade with us only if they are able to weaken or undermine our trade remedy laws; but that it intends to accommodate them. By permitting a point of order against any trade agreement provisions that change our trade laws, this amendment provides an extra level of protection for these vitally important safeguards. These laws have been effectively employed in a variety of sectors to address numerous trade imbalances or to give domestic producers vital time to address major import surges.

Our spring wheat farmers in Minnesota have been struggling for years to win effective relief against cheap imports from Canada. And its not that Minnesota wheat producers cannot compete with their Canadian counterparts—it is that the Canadian system is run so very differently from ours that direct competition simply does not occur. The Canadian Wheat Board enjoys monopoly control over their domestic wheat markets. Its ability to set prices months in advance effectively insulates Canadian wheat farmers from the commercial risks that Minnesota growers are routinely exposed to, and gives their product a built-in advantage right here in our own American market. Unfortunately our softwood lumber producers have faced many of the same obstacles in competing with their Canadian counterparts. Of course we are disappointed that we were unable to informally resolve our differences with our close friend and ally. But at least we have meaningful trade remedy laws we can fall back on. The International Trade Commission and the Department of Commerce found earlier this month that our lumber industry is threatened with material injury from subsidized Canadian imports. As a result, countervailing duty and antidumping duties will be issued on these products.

Another Minnesota industry that has been immeasurably helped by these trade remedy laws is that of sugar beet

production. Together with our hard working neighbors in North Dakota, our beet sugar industry is the largest in the country—an estimated $1 billion in economic benefits flows from it each year. Yet without the protection of our trade remedy laws, this industry could be in serious jeopardy. Our trading partners in the EU are one of the largest exporters of beet sugar in the world yet it is well-known that they have been heavily subsidizing their production. Our industry cannot and should not be expected to compete with such heavily subsidized imports. This is why there are antidumping and countervailing duty orders currently in effect on imported European beet sugar. As Minnesota beet sugar producers know all too well, these orders are entirely appropriate and very necessary countermeasures to the considerable subsidies that EU producers enjoy.

We cannot expect our producers to be able to compete with the unreasonably low prices that subsidies or closed, monopolistic systems produce. We look forward to the day when there is a more level playing field. But until that day comes, it is vitally important that we protect and maintain these trade remedy laws that all too often represent their only hope for much-needed relief.

As we have learned over the past decade, trade liberalization has increased the opportunities for unscrupulous countries or industries to manipulate markets through unfair trade practices. With major new agreements like the FTAA on the horizon, it is imperative that we maintain these important laws so that they can continue to be used to protect our workers and companies from the risks posed by those who seek to distort and manipulate the very markets we are seeking to open to free and fair competition.

Mr. HATCH. Mr. President, I rise to oppose the Dayton-Craig amendment.

I have no doubt that the sponsors of the Dayton-Craig amendment have nothing but the best intentions. They believe that they are protecting the interests of the American public by walling off our Nation's trade remedy laws.

Senators DAYTON and CRAIG believe that the Congress should take a special look to determine whether a particular trade agreement undermines our trade remedy laws. These important protections include the anti-dumping and countervailing duty laws.

I understand what my friends, Senators DAYTON and CRAIG, are attempting to do with their amendment. But the trade promotion authority bill before us today already addresses their major concern—the weakening of our domestic trade laws.

The bill before us already gives clear direction to our U.S. negotiators to ''avoid agreements that lessen the effectiveness of domestic and international disciplines on unfair trade.'' This includes dumping, subsidies, and safeguards.

Under the provisions of the Dayton-Craig amendment, a minority of this body could work to defeat future trade agreements. By raising a point of order objection, any one Senator could slow the chance for any future trade agreement and 41 Senators could effectively kill a global trade agreement signed by the President, passed by the House and supported by a majority in the Senate, for any reason—even one totally unrelated to trade laws—as long as the implementing bill contained any change, no matter how minor, to a U.S. trade law.

If this amendment were to pass and become law, the United States' negotiating position would be severely weakened in any future trade talks. Our trading partners will view this amendment as a vulnerability—in essence, by passing this amendment we are outlining to our potential trading partners our greatest negotiating weakness.

If we declare U.S. trade laws off limits, I must ask if this is really the best way to encourage other countries to bring their trade laws up to U.S. standards which, most would agree are the gold standard that all countries strive to meet? But sometimes you can't get here from there immediately, and you have to take intermediate steps along the way.

While I believe that the United States has enacted and plays by a fair set of rule with respect to trade remedy laws, we should never send a signal to our neighbors that our laws cannot be improved and should not be the subject for discussion.

I have absolute faith that the President, Secretary Evans, and Ambassador Zoellick would never do anything to fundamentally undercut our trade remedy laws.

And what if I am wrong, and the administration gave away the store in a negotiation on our antidumping laws?

The remedy would be simple—the Congress would not adopt the trade treaty. The President would quickly get the message and would learn how far is too far.

While this would be harsh medicine, it would be what the doctor ordered. The Constitution gives the Congress an active role in the development of international trade policy. We are not to be a potted plant or a rubber stamp.

There is good reason to believe that we will not go down this path absent the Dayton-Craig amendment.

Let me be clear, as part of granting fast track authority to the President, Congress naturally will expect extensive consultation and notification procedures.

Success in passing TPA will require a close partnership between the executive and legislative branches of our Government. The Constitution grants Congress the authority to promote international commerce.

However, the Constitution also gives the President the responsibility to conduct foreign policy. Thus, the very nature of our Constitution requires a partnership between the executive and legislative branches of government in matters of international trade negotiations. That is what the trade promotion authority bill is all about—a partnership between the executive and legislative branches of government to enable U.S. consumers, workers and firms to be effectively represented at the negotiating table.

The current TPA bill already establishes extraordinary procedures for congressional consultations and review of negotiations involving U.S. trade remedy laws. Under the procedures outlined in this bill, the President must give an advance report to the Senate Finance and House Ways and Means Committees at least 90 days before the United States enters into a trade agreement. This report must outline any amendments to U.S. laws on antidumping, countervailing duties and safeguards that the President proposes to include in a trade implementing bill.

After the President notifies Congress of his trade negotiation intentions, the chairs and ranking members of the relevant committees then report to their respective chambers on their own assessments as to the integrity of the proposed changes to the TPA's objectives.

The effect of these provisions would be to assure that the President and the Congress are on the same page regarding proposals in trade negotiations on subsidies, dumping, and safeguards.

I might add that one need not look back very far to prove the resolve of President Bush's administration in upholding our trade laws. Just this year the President took action to save the U.S. steel industry and made a bold move to slow the unfair import of softwood lumber.

This is not an administration, in my opinion, that is looking to weaken our trade laws.

Here is what the administration has said about the Dayton-Craig amendment:

> . . . the amendment derails TPA without justification. The Bush administration has demonstrated its commitment to U.S. trade laws not through talk but through action. We have been committed not just to preserving U.S. trade laws, but more importantly, to using them. The administration initiated an historic Section 201 investigation that led to the imposition of wide-ranging safeguards for the steel industry. The administration's willingness to enforce vigorously our trade laws, in Canadian lumber and other cases, sends the clearest signal of our interest in defending these laws in the WTO.

This administration takes the trade protection laws very seriously.

The administration has also warned us about what may very likely happen if we adopt this seemingly good-government amendment.

Here is what Secretary Evans, Secretary Veneman, and Ambassador Zoellick are worried about, if we adopt this misguided amendment: ''the rest of the world will determine that the U.S. Congress has ruled out even discussion of a major topic. Other countries will refuse to discuss their own

sensitive subjects, unraveling the entire trade negotiation to the detriment of U.S. workers, farmers, and consumers.''

It seems to me that this is a dynamic that we ought to worry about.

And I think this could very well extend to places where it can materially injure American leadership in high technology. As Ranking Republican Member of the Senate Judiciary Committee, I am particularly concerned that some nations might remain derelict, or become derelict, in their responsibilities of implementing the TRIPS provisions of GATT. These are the intellectual property provisions relating to international trade.

It is the TRIPS provisions that govern such valuable intellectual property as patents and copyrights. We know that a great deal of American inventive capacity is tied to the software, information technology, entertainment, and biotechnology industries. We are the world's leaders in these vital areas. We should not encourage or allow other nations to unilaterally enact their own Dayton-Craig-type provisions that act to allow them to delay TRIPS implementation.

All you have to do is to read the latest USTR report on special 301 with respect to intellectual property to see the potential scope of the problem. This lays out which countries need to do better in meeting their obligations under TRIPS with respect to intellectual property.

Just so everybody knows, the priority watch list countries are: Argentina; Brazil; Columbia; the Dominican Republic; the EU; Egypt; Hungary; India; Indonesia; Israel; Lebanon; the Philippines; Russia; Taiwan; and Uruguay. In addition to these countries, Ukraine continues to be listed as a priority foreign country because it has been determined by USTR that it has a particularly poor record in this area.

Dayton-Craig can only send a signal to these priority watch list countries that they can try to avoid their intellectual property responsibilities by saying that they want to take aspects of their IP laws off the table just like the United States may do with our trade remedy laws.

So it is not only the traditional sectors like farming that have a stake in this but also the most cutting edge industries that rely on patents and copyrights.

Let me say that I am a strong supporter of our trade remedy laws. In fact, I think I may have irritated a number of my colleagues on the Finance Committee and in the full Senate by helping to lead the charge on the steel issue this Congress.

It seems like my friend Senator ROCKEFELLER and I kept bumping into one another as we testified before the International Trade Commission in both the injury and remedy phases of the steel case.

I am a proponent of trade but I am against dumping of products into the United States. I know what the dumping of steel has done to 1,400 laid-off steel workers and their families in Utah.

Frankly, many of my colleagues might think my actions amounted to protectionism, but I think that the facts compelled the ITC and President Bush to conclude otherwise.

I commend the strong action that President Bush took in response to the crisis in the steel industry. The steel 201 case was an example that our trade remedy laws can work.

I part company with those who take the well-intentioned, but I think ultimately counter-productive, position that Congress should essentially get a second bite of the apple when it comes to the trade remedy laws.

I have no doubt of the good intentions behind this amendment. But seems to me that you either believe, or disbelieve, in the wisdom and integrity of the fast track process. Either we have an up or down vote on the whole package or we don't. We should not be picking and choosing in a way that invites interminable debate and innumerable amendments.

If you don't like an agreement—for any reason, not just the trade remedy laws but for the old-fashioned reason that it is just not a good thing for your state and your constituents, then by all means, vote against it.

The Dayton-Craig amendment, if adopted, will invite similar responses from our trading partners. If we try to take these matters off the table, we can only guess what matters they will deem as inviolate.

Let the trade negotiators negotiate. I have faith that no USTR—in either a Republican or Democratic administration—will ever give away the store on trade remedy laws. And, in the unlikely event that this occurs—the Constitution gives the Congress the final word.

TPA is an essential tool for sound trade expansion policy, a tool we have been without since its expiration in 1994. For over a decade, the United States has too often sat on the sidelines while other nations around the world continued to form trade partnerships and lucrative market alliances. The lack of fast track has put the United States at a disadvantage during trade negotiations.

I submit that this amendment does nothing less than hand trade opponents a tool to block future agreements that are overwhelmingly in America's interests.

I urge my colleagues to oppose the Dayton-Craig provision.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. What is the regular order?

The PRESIDING OFFICER. Further debate on amendment No. 3408.

Mr. BAUCUS. I ask for regular order.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 3408.

The amendment (No. 3408) was agreed to.

Mr. BAUCUS. I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 3411 TO AMENDMENT NO. 3401

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Is it appropriate to send my amendment to the desk?

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Massachusetts [Mr. KENNEDY] proposes an amendment numbered 3411 to amendment No. 3401.

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

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

The amendment is as follows:

(Purpose: To include the Declaration on the TRIPS Agreement and Public Health as a principal negotiating objective of the United States)

Section 2102(b)(4) is amended by adding at the end the following new subparagraph:

(C) to respect the Declaration on the TRIPS Agreement and Public Health, adopted by the World Trade Organization at the Fourth Ministerial Conference at Doha, Qatar on November 14, 2001.

Mr. KENNEDY. Mr. President, sometimes Democrats and Republicans can stand shoulder to shoulder with health advocates and industry representatives, find common ground, and develop constructive ideas to address some of the world's most pressing problems.

We can do this today by supporting the World Trade Organization's Declaration on TRIPS and Public Health, adopted at its Fourth Ministerial Conference last November in Doha. ''TRIPS'' stands for Trade-Related Aspects of Intellectual Property. The TRIPS Agreement is one of the agreements maintained by the World Trade Organization. TRIPS is the final word when it comes to international patent issues.

In recent years, there has been some confusion over the TRIPS Agreement and the ability of poorer countries to gain access to affordable medicines to fight some of the worst plagues of our age—including malaria, tuberculosis, and AIDS. Many health advocacy groups, including Doctors Without Borders and the World Health Organization, as well as faith-based and secular groups like Oxfam, expressed concern that dying people in impoverished nations could not receive medicines because their countries were not being afforded the flexibility in the TRIPS Agreement to acquire them cheaply.

Developing nations facing health emergencies reported political pressure when they tried to employ compulsory licensing—that is, the temporary suspension of a drug's patent and an order to a manufacturer to produce that drug

at a lower cost—or parallel importing, looking for the lowest price of a branded drug on the global market. The nations encountered threats of litigation through the WTO for trying to save the lives of their citizens. The poorest countries felt that our international trade agreements, written with the intent of lifting people out of poverty, were now being used against the poorest and most vulnerable when they needed them most.

After the anthrax scare here in Washington and the East Coast the United States raised the possibility of issuing a compulsory license for Cipro—the drug proven to kill anthrax, to ensure that an adequate supply of the drug was available at a reasonable cost. HHS Secretary Thompson discussed publicly the steps that would be taken, pursuant to the TRIPS, to issue and implement such a license. Few people in the United States would question such a move to protect our nation's public health.

Four people died from the recent anthrax outbreak in the United States. If an outbreak that results in four fatalities and another dozen infections is an emergency, what do we call a situation in which nearly 14,000 people will die every day from AIDS, tuberculosis, or malaria? If the TRIPS has the flexibility to accommodate the richest country in the world, it must be able to accommodate the poorest as well.

The global health crisis we face today is unprecedented. The World Health Organization reports infectious diseases are the leading killer of young people in developing countries. These deaths occur primarily among the poorest people because they do not have access to the drugs and commodities necessary for prevention and cure. Approximately half of infectious disease mortality can be attributed to just three diseases—HIV, tuberculosis, and malaria. These diseases cause over 300 million illnesses and more than 5 million deaths each year.

The WHO also reports that the economic burden is enormous. Africa's gross domestic product would be 32 percent greater if malaria had been eliminated 35 years ago. A nation can expect a decline in GDP of 1 percent annually when more than 20 percent of the adult population is infected with HIV. Of the nearly 40 million people infected with HIV worldwide, roughly 28 million of them live in Africa. If we are serious about promoting wealth across the globe, global health must be at the forefront.

Many poorer countries have shown that effective disease fighting strategies can reduce tuberculosis deaths five-fold. HIV infection rates can be reduced by 80 percent. Malaria death rates can be halved. But when a country has a health care budget of less than $50 per capita, the costs of the tools—and the drugs—to fight these diseases is often beyond reach. As a result, many studies estimate that 90 to 95 percent of people infected with HIV in the developing world do not have access to the medicines they need for treatment or prevention.

Recognizing the staggering global health crisis the world is now facing, the trade ministers of 142 countries decided to provide the clarity in the TRIPS Agreement that was so desperately needed. To ensure that all nations have access to lifesaving medicines, the WTO issued the Declaration on TRIPS and Public Health. Among other things, it said,

''We agree that the TRIPS Agreement does not and should not prevent Members from taking measures to protect public health. Accordingly, while reiterating our commitment to the TRIPS Agreement, we affirm that the Agreement can and should be interpreted and implemented in a manner supportive of all WTO Members' right to protect health, and in particular, to promote access to medicines for all.''

I ask unanimous consent that a copy of the Declaration on TRIPS and Public Health be printed in the RECORD at the end of my statement.

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

(See exhibit 1.)

Mr. KENNEDY. The declaration was immediately heralded across the globe as a tremendous achievement. It struck an honest balance between the legitimate interests of intellectual property protection and the preservation of public health. US Trade Representative Robert Zoellick said immediately after Doha, ''The adoption of the landmark political declaration on the TRIPS Agreement and public health is a good example of developed and developing nations advancing common goals by working through issues together.'' He later added, ''We were pleased with this process . . . and we believe this declaration affirms that TRIPS and the global trading system can help countries address pressing public health concerns.''

Alan Holmer, the president of the Pharmaceutical Research and Manufacturers of America also welcomed the declaration, saying, ''The Declaration recognizes that TRIPS and patents are part of the solution to better public health, not a barrier to access. Without altering the existing rights and obligations under TRIPS, the declaration provides assurances that countries may take all measures consistent with the agreement to protect the health of their citizens.''

I was very pleased with the adoption of this landmark declaration. Never before had the World Trade Organization taken such a bold stance that the protection of public health, particularly among the poorest in the world, was paramount. I want to commend U.S. Trade Representative Robert Zoellick for the leadership he displayed in ensuring this declaration's adoption, and WTO Director General Michael Moore for his tireless efforts in communicating the message of the declaration across the globe.

In order to ensure that the U.S. trade negotiators fully support the implementation of the Doha Declaration in future negotiations, this amendment adds a single sentence to the section on negotiating objectives for intellectual property issues—''respect the Declaration on TRIPS and Public Health, as adopted by the World Trade Organization at the Fourth Ministerial Conference at Doha, Qatar on November 14, 2001.'' This amendment directs our trade negotiations to support the declaration without reservation.

This amendment, as critical as it is to the health of millions around the globe, is merely a small step in addressing this overwhelming issue. The United States must play a more active role in fighting these diseases in the developing world. We must contribute significantly more to the global AIDS fund at the United Nations. We must do more to help develop the health service infrastructure in poor countries so they can deliver and administer treatment and prevention programs. We must provide more resources to USAID and private organizations to enhance micro-enterprise efforts, build local economies, and empower individuals so they can take care of themselves.

I'm pleased that this amendment can be accepted unanimously, because some issues are too important to be partisan. I want to extend special thanks to Senators BAUCUS and GRASSLEY and their wonderful staffs for their leadership, and for their willingness to work so closely with me on this issue. They know we don't always see eye-to-eye on trade issues, but they recognize the importance of this issue and I know they share my concerns. I look forward to working closely with them in the future on this critical issue.

EXHIBIT 1

WORLD TRADE ORGANIZATION MINISTERIAL CONFERENCE, FOURTH SESSION, DOHA, 9–14 NOVEMBER 2001

DECLARATION ON THE TRIPS AGREEMENT AND PUBLIC HEALTH—ADOPTED ON 14 NOVEMBER 2001

1. We recognize the gravity of the public health problems afflicting many developing and least-developed countries, especially those resulting from HIV/AIDS, tuberculosis, malaria and other epidemics.

2. We stress the need for the WTO Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS Agreement) to be part of the wider national and international action to address these problems.

3. We recognize that intellectual property protection is important for the development of new medicines. We also recognize the concerns about its effects on prices.

4. We agree that the TRIPS Agreement does not and should not prevent Members from taking measures to protect public health. Accordingly, while reiterating our commitment to the TRIPS Agreement, we affirm that the Agreement can and should be interpreted and implemented in a manner supportive of WTO Members' right to protect public health and, in particular, to promote access to medicines for all.

In this connection, we reaffirm the right of WTO Members to use, to the full, the provisions in the TRIPS Agreement, which provide flexibility for this purpose.

5. Accordingly and in the light of paragraph 4 above, while maintaining our commitments in the TRIPS Agreement, we recognize that these flexibilities include:

(a) In applying the customary rules of interpretation of public international law, each provision of the TRIPS Agreement shall be read in the light of the object and purpose of the Agreement as expressed, in particular, in its objectives and principles.

(b) Each Member has the right to grant compulsory licenses and the freedom to determine the grounds upon which such licenses are granted.

(c) Each Member has the right to determine what constitutes a national emergency or other circumstances of extreme urgency, it being understood that public health crises, including those relating to HIV/AIDS, tuberculosis, malaria and other epidemics, can represent a national emergency or other circumstances of extreme urgency.

(d) The effect of the provisions in the TRIPS Agreement that are relevant to the exhaustion of intellectual property rights is to leave each Member free to establish its own regime for such exhaustion without challenge, subject to the MFN and national treatment provisions of Articles 3 and 4.

6. We recognize that WTO Members with insufficient or no manufacturing capacities in the pharmaceutical sector could face difficulties in making effective use of compulsory licensing under the TRIPS Agreement. We instruct the Council for TRIPS to find an expeditious solution to this problem and to report to the General Council before the end of 2002.

7. We reaffirm the commitment of developed-country Members to provide incentives to their enterprises and institutions to promote and encourage technology transfer to least-developed country Members pursuant to Article 66.2. We also agree that the least-developed country Members will not be obliged, with respect to pharmaceutical products, to implement or apply Sections 5 and 7 of Part II of the TRIPS Agreement or to enforce rights provided for under these Sections until 1 January 2016, without prejudice to the right of least-developed country Members to seek other extensions of the transition periods as provided for in Article 66.1 of the TRIPS Agreement. We instruct the Council for TRIPS to take the necessary action to give effect to this pursuant to Article 66.1 of the TRIPS Agreement.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, it is my intention to back the amendment. This amendment makes an important contribution to the underlying trade promotion authority bill.

Before addressing the substance of the amendment, I put it in context. The Doha ministerial held in Qatar last year was a profound breakthrough for the United States and the World Trade Organization. For the first time in many years, over 130 nations came together to launch a new round of international trade negotiations. This is no small achievement, as virtually every action taken during the Doha ministerial had to be done by consensus. These nations strongly believed a new round of international trade negotiations was in their best interests. I agree it is in their best interests, and it is in the best interests of the United States. I also think it is in our best interests to get these negotiations underway and give the President the authority he needs to negotiate the best deals for our workers and small and large businesses.

During the WTO ministerial at Doha, the members of the organization adopted a political declaration that highlights the provisions in the TRIPS agreement that provide members with the flexibility to address public emergencies, such as the epidemics of HIV, tuberculosis, and malaria. The objectives on intellectual property, which are part of this bill, were drafted before completion of the Doha ministerial. Senator KENNEDY's amendment updates these objectives to take into account the important declaration on public health made at the Doha meeting. It is a good addition to the bill. I am pleased to accept it.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President, I highly compliment the Senator from Massachusetts. This is an extremely important statement. Millions of people in the world are suffering from HIV/AIDS, and the current patent the companies have, as important it is, is a measure that should be relaxed so people in many parts of the world get assistance.

The amendment recognizes the special declaration concerning public health that was adopted last November in Doha. The special declaration provided assurance to poor countries facing the immense challenges of dealing with public health emergencies caused by pandemics of infectious diseases like HIV/AIDS, that measures necessary to address such crises in these countries can be accommodated by the WTO TRIPS Agreement, the Agreement on Trade-Related Aspects of Intellectual Property Rights.

This assurance complements the numerous commitments that the United States Government, and its public and private sectors have made to help these countries cope with the HIV/AIDS pandemic.

WTO members also used the declaration to reaffirm their commitment to effective intellectual property standards such as those in the TRIPS Agreement. The declaration recognizes that effective intellectual property standards serve an important public health objective of stimulating development of new drugs.

I highly recommend this amendment to the Senate.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Massachusetts, Mr. KENNEDY, numbered 3411.

The amendment (No. 3411) was agreed to.

Mr. KENNEDY. I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. The majority leader asked me to announce there will be no more rollcall votes today.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. ALLEN. Mr. President, I ask unanimous consent to proceed as in morning business.

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

(The remarks of Mr. ALLEN are printed in today's RECORD under ''Morning Business.'')

The PRESIDING OFFICER. The Senator from Montana.

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

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

The senior assistant bill clerk proceeded to call the roll.

Mr. BAUCUS. 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. BAUCUS. Mr. President, for the past several days, we have been debating the merits of granting fast-track trade negotiating authority to the President. Today, I would like to illustrate the importance of this measure and that of its companion, Trade adjustment assistance, to my home State of Montana.

Montana's role in the global economy is directly linked to our success in passing this important trade package. More importantly, if my State is to grow economically, we must secure opportunities beyond our borders.

Those opportunities represent risk, growth, change, and challenge for a State that is highly reliant on export markets and highly sensitive to imports.

Just as the founders of Montana—fur trappers, gold prospectors, cattle ranchers, hardrock miners—were driven west in pursuit of trade opportunities, so, too, must the citizens of modern Montana seek new markets. In fact, some would say that our viability in the 21st century is contingent upon our ability to expand and compete in the global marketplace.

To further this endeavor, we must negotiate responsible trade agreements that help Montana workers, business, farmers, ranchers and entrepreneurs.

At the same time we must recognize some of the problems associated with trade, which include worker dislocation or intensified competition, must also be addressed.

I believe that fast track and trade adjustment assistance are critical to economic growth and strength of Montana. Let me tell you why.

First, Montana exports nearly a half billion dollars in products a year. This includes $260 million in agricultural commodities, $100 million in industrial machinery, $24 million in chemical products, and $37 million in wood and paper products.

Second, as a key State in the Rocky Mountain Trade Corridor we are expanding more to Canada and Mexico—our first and second largest trading partners. Respectively, these countries

import more than $300 million and $34 million of Montana products with China, Japan, Germany, and the United Kingdom next in line.

With new trade agreements that open markets to Montana products and readjust some of the current trade inequities, my State's economy stands to grow and prosper.

Within this same context, the principle trade negotiating objective of the fast-track legislation calls on our negotiators to remove barriers that decrease market opportunities for Montana exports or distort imports that put producers at an unfair advantage. These barriers include governmental regulatory measures such as price controls and reference pricing which deny full market access for United States products.

Take, for example, the Canadian Wheat Board. The Government of Canada grants the Canadian Wheat Board special monopoly rights and privileges which disadvantage U.S. wheat farmers and undermine the integrity of the trading system.

These rights insulate producers from commercial risk because the Canadian Government guarantees its financial operations, including its borrowing, credit sales to foreign buyers, and initial payments to farmers. As a result, the Canadian Wheat Board takes sales from U.S. farmers and prices drop.

The negotiating authority granted the President that fast track is aimed at stopping these unjust trade practices.

Some folks say they don't want any new trade agreements until the old ones are fixed, I like the ring of that, but sometimes it is not terribly practical. I say, you can't fix something from the sidelines, you must be at the table. Fast track is a means to that end. If you want to fix an old agreement, clearly the other side is going to want to fix the old agreement from its perspective, too. It is never a free lunch.

The bill also strives to ensure that trade agreements afford small businesses equal access to international markets, equitable trade benefits, expanded export market opportunities, and provide for the reduction or elimination of trade barriers that disproportionately impact small business.

Let me illustrate what effective negotiations at the WTO mean for Main Street Montana.

A company in Bozeman could be able to ship more trailers for mining equipment to Latin America.

Discussion on pharmaceuticals could help companies like All American Pharmaceutical in Billings and Technical Sourcing International in Missoula.

Montana's tech corridor in Bozeman could seek clarification on European manufacturing standards for electronics, increasing market opportunity for small technology businesses.

Aviation firms such as Blue Sky Aviation in Lewistown, Garlick Helicopters and Tamarak Helicopters in the Bitteroot Valley could see a normalization in requirements for aviation products.

Medical standards could be addressed helping Glacier Cross of Kalispell enter new markets.

And Lawyer Nursery could spend less time fighting phytosanitary barriers and focus more on providing seeds and seedling trees to developing nations.

The bottom line is that good jobs will be created in Montana if we are willing to give our negotiators the strong hand needed to secure sound trade agreements.

In addition to small business owners, Montana's agricultural industry stands to benefit from sound trade agreements. For agriculture, the goal is to obtain competitive opportunities for U.S. exports of agricultural commodities in foreign markets substantially equivalent to the competitive opportunities afforded foreign exports in U.S. markets.

The fast-track bill includes a concrete set of trade objectives for agriculture that targets my five key concerns.

First, we must reduce tariffs to levels that are the same as or lower than those in the United States. These are the same tariffs that block Montana beef exports to Korea and Japan.

Second, we must eliminate all export subsidies on agricultural commodities while maintaining bona fide food aid and export credit programs that allow the U.S. to compete with other foreign export promotion efforts. As you well know, the EU maintains the lion's share of export subsidies—60 times more than the United States. How can we ever expect a level playing field if we are undersold time and again by government-backed competitors?

Third, we must allow the preservation of programs that support family farms and rural communities but do not distort trade.

Currently we are engaged in passing a new farm bill. This bill seeks to reflect and respond to the counter-cyclical nature of our farm economy. It strives to limit production through sound conservation programs and maintains trade provisions, including the Export Enhancement Program and Market Access Program, which help our products overseas.

The U.S. exported over $53 billion last year. However, our trade policy will only be effective if the commodity support and conservation programs of the farm bill are balanced. We cannot afford for one leg of the stool to be weaker than the others. Without family farmers, increased trading opportunities are irrelevant.

Fourth, we must eliminate state trade enterprises wherever possible. Montanans know far too well the effects of competing with the Canadian Wheat Board. As I mentioned above, we must bring price transparency and competition to the marketplace. The Canadian Wheat Board is nothing close to that. Anything short of this flies in the face of fair trade.

And fifth, we must develop rules to prevent unjustified sanitary or phytosanitary restrictions not based on sound science. For three decades we fought to pry open the Chinese market to Pacific Northwest wheat due to TCK. That was a real struggle. I spent a lot of time on that. It was difficult to get the Chinese to listen to us. They finally cracked open a little bit. Now we are struggling with markets in Chile and Russia that place arbitrary sanitary barriers on U.S. exports of beef, pork, and poultry.

I will closely monitor any upcoming trade negotiations to ensure that these goals are met. Further, I will not hesitate to call for the repeal of fast-track trading authority or pursuing a resolution to limit fast track, at any time during the process if these objectives are not met.

Let me share a few more points that make the case for fast track in my State. In order to address and maintain Montana's competitiveness in the global economy, the bill directs the President to preserve the ability of the U.S. to enforce rigorously its trade laws, including antidumping, countervailing duty, and safeguard laws.

Montana has benefited from these laws. These laws have been used against unfair, or a surge in, imports of softwood lumber from Canada and lamb from Australia and New Zealand. In addition, our wheat industry is considering launching a case against the Canadian Wheat Board.

These laws are not protectionist. Far from it. They simply ensure that Montana workers, agricultural producers, and firms, can compete fully on fair terms and enjoy the benefits of reciprocal trade concessions.

These laws are designed to help other countries play fair. If all countries played fair, our trade laws would not be necessary. They are there only to help make sure that when other countries are not playing by the rules of the road we have ways to protect ourselves against unfair foreign trade barriers. All our trade remedy laws, as you know, Mr. President, are totally WTO legal. They are totally consistent with WTO.

On a related note, I am often approached about the problem of a strong dollar for commodities and manufacturing. The overvalued dollar is certainly a problem, and I do not have the perfect solution today that balances these concerns with Treasury's intent to maintain a strong economy and control inflation.

However, within this bill, the administration is directed to work with our trading partners to draw up a blueprint to deal with the trade consequences of significant and unanticipated currency movements and to scrutinize whether a foreign government is engaged in a pattern of manipulating its currency to promote a competitive advantage in international trade.

Rest assured, I recognize these concerns, and I believe this is a step toward finding a solution and not an easy one to resolve but certainly a major step forward.

In Montana we know the value of preserving our environment while optimizing the use of our natural resources. At the same time, we cannot afford to compete with shoddy worker and environmental rights.

This measure brings that message to the world recognizing that trade and environmental policies are mutually supportive: That we should seek to protect and preserve the environment and enhance the international options of doing so, while optimizing the use of the world's resources. And, it promotes respect for worker rights and supports efforts to crack down on the exploitative child labor.

This bill is different from past fast-track legislation because it is the first to ever seek provisions that aim to ensure that parties to the agreements not weaken or reduce the protections afforded in their domestic environmental and labor laws as an encouragement for trade. It is a first, and major development. It also works to establish rules to prevent frivolous investor claims that contravene the public good.

I have a few words about part two of this package, the Trade Adjustment Assistance program or TAA. This is a program with a simple but admirable objective: to assist workers injured by imports to adjust and find new jobs. many Montana workers are now employed and many firms still in business thanks to TAA.

Take for example the 221 employees who lost their jobs as a result of the suspension of operations at the ASARCO lead bullion facility in East Helena. It was a bitter blow to that community when that announcement was made. Due to the decline in the mining and mineral processing industries in the Western U.S., these workers faced few prospects for re-employment in a similar sector.

Thanks to income support provided by trade adjustment assistance, and NAFTA–TAA, 50 percent of these workers are involved in or did seek training—many at the Helena College of Technology and a few at heavy equipment operating school.

They are learning everything from trucking to computer technology. Now nearly 42 percent have found full-time employment. Workers at Plum Creek Timber in Seeley Lake are similarly taking advantage of this program.

TAA is often seen as the last resort, but it also provides a chance for companies to retool. This is especially true of TAA for firms, a related program that provides assistance to over 10 small companies in Montana to help them readjust and effectively compete with imports.

With TAA for firms, Montola Growers is researching new markets for its safflower oil, Tele-Tech Corporation is designing new products and print ads for its sophisticated electronic devises, Thirteen Mile Lamb and Wool Company is designing new garments for manufacture by contract knitters, and Pyramid Lumber is improving its milling efficiency.

Without TAA for firms, we would see closed signs on many business doors. Unfortunately, more worthy projects exist than funding to support them. For that reason, I support significantly increased funding in order for this program to continue and expand its good work.

Additionally, this trade adjustment assistance bill includes a new provision that will offer up to $10,000 in cash assistance to Montana farmers and ranchers injured by imports. Let me be clear, this is a real opportunity to retool and reform a family farming operation, to make it competitive and sound, for generations to come. Like trade adjustment assistance for firms, this program is a means to keep an operation in business and keep our Montana families on their land.

One final item tucked neatly away in the TAA title is a provision to protect Montana sugarbeet growers from unfair trade practices. We all recall the black eye that stuffed molasses gave the industry, and we can not afford to suffer from such blatant circumvention again. This provision allows the Secretary of Agriculture to monitor imports of sugar to ensure that they do not circumvent the existing quota.

If they do, the Secretary will report to the President who can then ''snap-back'' the offending commodity into the appropriate tariff line. This should send a clear message that America will no longer tolerate efforts to manipulate the trading system to the disadvantage of our sugar producers.

The trade package before us today will help Montana move toward a greater role in the global economy. I hope my colleagues will feel the same about their own constituencies and lend their support to this important matter.

Mr. President, I thank you for listening. I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

## MORNING BUSINESS

Mr. REID. Mr. President, I ask unanimous consent that the Senate now proceed to a period for morning business with Senators permitted to speak therein for a period not to exceed 5 minutes each.

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

## CARTER, MISSION TO CUBA

Mr. ALLEN. Mr. President, many of us have anticipated the trip of former President Carter to Cuba with a mixed sense of hope and concern. We had hoped that he would use this unique opportunity to help bring ideas of freedom and democracy to the repressed people of Cuba, just 90 miles off our shores.

However, it was amazing and disappointing for many of us to learn of Mr. Carter's visit to a Cuban biotechnology facility and his acceptance, at face value, of the assurances of communist Cuban officials there that the facility is engaged solely in medical and humanitarian pursuits.

More distressing is that former President Jimmy Carter was accorded the same privilege and courtesy extended to former Presidents who have requested top-secret intelligence briefings and situation reports on global areas of interest of the United States.

In the post-9/11 world, it is important that we as a united country protect the safety and security of our people.

Instead, what we have in Mr. Carter's visit to this biotech facility is a former President—who himself was once responsible for our foreign policy and the safety of the American people—dismissing the concerns of his own government, revealing information to which he was privy in top-secret briefings, and buying wholesale the assertions of the dictator Fidel Castro and his minions.

The words and actions of Mr. Carter at this facility are a breach of trust, and it is made even worse, in that the individual involved in that breach is one in whom the American people once placed the ultimate trust and responsibility of the Presidency.

Rather than spending his time with Fidel Castro and his henceman, I would suggest the name of at least one person Mr. Carter would be better advised to get to know.

Just a few short days ago I joined the Congressional Cuba Political Prisoner Initiative. As part of this initiative, I have decided to sponsor or ''adopt,'' if you will, a Cuban political prisoner named Francisco Chaviano Gonzales, and to advocate on his behalf, and on behalf of the thousands of others being held in Cuba in clear abuses of their basic human rights.

Francisco Chaviano is president of the National Council for Civil Rights, an organization dedicated to promoting democratic practices, racial equality and human rights. He was arrested after government agents broke into his home and confiscated documents revealing human rights abuses in Cuba—specifically, information about the Castro government's sinking of a tugboat that claimed the lives of 41 men, women, and children who were attempting to escape to freedom.

Chaviano was arrested and detained in prison for 1 year, and although a civilian, he was tried by military tribunal and sentenced to 15 years in prison.