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House of Representatives

The House was not in session today. Its next meeting will be held on Tuesday, February 12, 2002, at 12:30 p.m.

Senate

Monday, February 11, 2002

The Senate met at 2 p.m. and was called to order by the Honorable DAN-IEL K. AKAKA, a Senator from the State of Hawaii.

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

As we begin this new week, let us think magnificently about God, so that we may serve Him magnanimously and glorify His majesty. Let us pray.

O God, whose love never lets go; whose mercy never ends; whose strength is always available; whose guidance shows the way; whose Spirit provides a supernatural power; whose presence is our courage; whose joy transforms our gloom; whose peace calms our pressured hearts; whose light illuminates our path; whose goodness provides the wondrous gifts of loved ones, family, and friends; whose will has brought us to the awesome tasks of this Senate today; and whose calling lifts us above party politics to put You and the good of our Nation first, we dedicate all that we have and are to serve You this week with unreserved faithfulness and unfailing loyalty.

To You, dear God, be the glory. Amen.

PLEDGE OF ALLEGIANCE

The Honorable DANIEL K. AKAKA led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President protempore (Mr. BYRD).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, February 11, 2002.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable Daniel K. Akaka, a Senator from the State of Hawaii, to perform the duties of the Chair.

ROBERT C. BYRD,

President pro tempore.

Mr. AKAKA thereupon assumed the chair as Acting President pro tempore.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 3 p.m., with Senators permitted to speak therein for up to 10 minutes each.

In my capacity as a Senator of the State of Hawaii, I suggest the absence of a quorum.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

HIGH FRUCTOSE CORN SYRUP

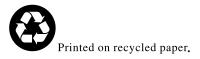
Mr. GRASSLEY. Mr. President, I rise to speak to my colleagues about our trade policy with Mexico and a very specific dispute we have with them, a dispute that affects agriculture, definitely, and, within agriculture, the production of corn.

Few trade policy developments in recent years have been more significant for the United States than our flourishing economic partnership with Mexico, a partnership that results from trade agreements that have been worked out and are working very well for both countries. The comprehensive free trade agreement, in which we both participate and which has contributed so much to the prosperity and economic freedom in both countries, stands as a model of hemispheric cooperation.

I am greatly troubled by a recent Mexican action that targets the cornrefining industry. I fear this may disrupt and even seriously damage our bilateral trade relations.

On January 1 of this year, Mexico, through congressional action—meaning their Congress—imposed a totally unwarranted discriminatory tax of from 10 to 20 percent on soft drinks sweetened with high fructose corn syrup. The United States is a major supplier of high fructose corn syrup. We export

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.



it directly to Mexico, and it is produced in Mexico by wholly owned subsidiaries of U.S. firms. These companies have invested hundreds of millions of dollars in Mexico, providing many jobs to Mexican workers.

Much of the corn used to produce high fructose corn syrup is grown in my own State of Iowa. We are No. 1 of the 50 States in the production of corn, as well as soybeans.

I do not like to attribute bad motives to my neighbors, including Mexico, but we not do these sorts of retaliatory things like are being done in Mexico. So I don't suppose I should attribute bad motives to my neighbors because we don't do that to our neighbors in Iowa. Obviously, I don't like to do it to a country with which we share a hemisphere and a rich cultural heritage, considering the fact that such a high percentage of the American population is Hispanic.

I want to get back to strictly the facts. The fact is that Mexico applies this new tax only to soft drinks containing high fructose corn syrup, not soft drinks containing sweetener from cane sugar. Cane sugar is something that Mexico produces in great abundance. Those soft drinks are exempt from this tax that is applied just to soft drinks made with high fructose corn syrup.

In my judgment, this discriminatory application of the tax clearly violates Mexico's World Trade Organization national treatment obligations. If the Mexican tax stays on the books for the rest of the year, the corn growers and corn refiners in Iowa and throughout the United States are going to be badly hurt. I fear that some of them may have income and their income will go down and, obviously, will jeopardize their farms and at least their livelihoods.

Now, estimates are that corn refiners will lose about \$244 million just this year alone. Our farmers will lose another \$66 million in the sale of corn. As surplus high fructose corn syrup production mounts, other losses will pile up as well.

So even though President Vicente Fox brings progressive political leadership to Mexico—a leadership that I greatly admire and respect—it looks as if some nonprogressive members of the Mexican Congress are still employing the old, tired politics of the past, the old politics of protectionism.

The Mexican congressional motto is: If you can't compete fairly or efficiently, try to muscle your competition out of the market. This is just the sort of "beggar thy neighbor" trade policy of the past that we have worked so hard to overcome, both with the creation of the North American Free Trade Agreement and with the creation of the World Trade Organization.

So it is very discouraging, then, just as we start the real work on a new round of World Trade Organization trade negotiations, in which we hope to further liberalize world trade, and especially trade in agricultural products, to suddenly find ourselves fighting a harmful protectionist measure imposed by one of our closest neighbors and trading partners, and a neighbor that we want to call "friend."

Currently, Mexico is our third largest agricultural export market. This market grew an astounding 15 percent just last year. If the present trade continues, Mexico will probably surpass Canada as our second largest agricultural market within 2 or 3 years.

I know this robust growth in competitive agricultural exports has caused some friction between our two countries, but we cannot and must not handle our differences by resorting to the "beggar thy neighbor" policies of the past.

One response to Mexico's unfair and illegal tax on high-fructose corn syrup would be to enact a similar tax on a Mexican product, the drink referred to as Mezcal. So far, I have not pursued this sort of retaliation. I still hope that Mexico will respect its international trade commitments and repeal this legislation, and repeal it permanently.

Mr. President, let me make this very clear. I think it is legitimate that my patience and the patience of the agricultural interests in the United States is limited. It ought to be that way.

Minister Luis Derbez, who is Mexi-

Minister Luis Derbez, who is Mexico's secretary of the economy, stated that his government is committed to resolving this issue by February 15. That is this week. I accept Minister Derbez's word, but now is the time for the congressmen and the ministers of the cabinet of Mexico to resolve this issue, before we do any more damage to America's hard-working farming families and our trade relations with our friend, the country of Mexico.

I yield the floor and suggest the absence of a quorum.

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

The assistant legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mrs. LINCOLN). Without objection, it is so ordered.

GENERAL PERVEZ MUSHARRAF'S SPEECH TO THE PEOPLE OF PAKISTAN

Mr. DURBIN. Mr. President, on January 12, Gen. Pervez Musharraf of Pakistan spoke to his people at a moment of great danger. Half a million Indian troops were massing on the border over the contentious issue of Kashmir, unresolved for over 50 years, and the December 13 terrorist attack on the Indian Parliament. Memories were still fresh of 100,000 demonstrators in the streets after September 11, praising Osama bin Laden and burning effigies of Musharraf and President Bush.

The speech was given to the nation of Pakistan, but it was followed closely by India and the West.

He made the choice facing Pakistan very clear. In his words, the "day of reckoning" had come. His nation must choose between the Kalishnikov culture of religious extremism and a progressive Islamic state. He made his case in terms far different than Western secular leaders. Speaking to his Muslim nation, he invoked the name of the Prophet Mohammad, the Koran and Islamic history and tradition.

If Osama bin Laden could find justification for his hate-filled extremism in a corruption of Islamic belief, Musharraf found tolerance, universal brotherhood and peace in Islam.

When we met with him 2 days later in the Presidential residence, he repeated the message in his speech that Islam teaches not only an obligation to God—Haqooq Allah—but also an obligation to others—Haqooq Al-ebad. And beyond the rhetoric of tolerance, he calls for a historic change in the madrassas, Islamic religious schools, so often identified with the memorization of the Koran, little or no education, and a breeding ground for hatred.

Pakistan's new jihad against illiteracy and poverty will require the madrassas to be religious schools, with a recognized curriculum, registered with the state; accredited in math, science and English, with trained teachers and foreign students deported if they are not legally in the country.

And he went further. All mosques are to be registered. Newer mosques require government permission and the loudspeakers outside the mosque, used traditionally for a call to prayer, cannot be used to incite hatred or extremism.

Musharraf told us that the public response to his revolutionary message has been positive, even among the Muslim clergy who met with him before it was given.

He believes that Pakistan, in his words, the "Citadel of Islam," can show the world that the Muslim faith is consistent with the values of this new century.

If real peace and progress are to come to the Islamic world, we must help him succeed.

Mr. President, I ask unanimous consent that the speech be printed in the RECORD.

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

PRESIDENT GENERAL PERVEZ MUSHARAF'S ADDRESS TO THE NATION, JANUARY 12, 2002

I begin in the name of God, the most Beneficent, the most Merciful.

Pakistani Brothers and Sisters!

As you would remember, ever since I assumed office, I launched a campaign to rid the society of extremism, violence and terrorism and strived to project Islam in its true perspective. In my first speech on October 17, 1999, I had said and I quote; "Islam teaches tolerance, not hatred; universal brotherhood, not enmity; peace, and not violence. I have a great respect for the Ulema and expect them to come forward and present Islam in its true light. I urge them to curb elements which are exploiting religion for vested interests and bringing a bad