

systems to China from participating in U.S. defense-related cooperative research, development, and production programs. This restriction can be targeted to cover only those technology areas involved in the transfer to China.

The Commission recommends that Congress request the Department of Defense to provide a comprehensive annual report to the appropriate committees of Congress on the nature and scope of foreign military sales to China, particularly from Russia and Israel.

#### CHAPTER 9—MEDIA AND INFORMATION CONTROL IN CHINA

On June 30, 2003, the Commission recommended that Congress direct the Broadcasting Board of Governors to target funds for efforts aimed at circumventing China's Internet firewall through the development of anticensorship technologies and methods. Congress approved such funding as part of the 2004 Omnibus Appropriations Act. The Commission recommends that Congress continue this program with enhanced resources, pending successful results for the current fiscal year.

As recommended in the Commission's 2002 Report, the Commission reiterates that Congress should direct the Department of Commerce and other relevant agencies to conduct a review of export administration regulations to determine whether specific measures should be put in place to restrict the export of U.S. equipment, software, and technologies that permit the Chinese government to surveil its own people or censor free speech.

The Commission recommends that Congress approve legislation to establish an Office of Global Internet Freedom within the executive branch, tasked with implementing a comprehensive global strategy to combat state-sponsored blocking of the Internet and persecution of users. The strategy should include the development of anticensorship technologies.

The Commission recommends that Congress encourage the administration to press China to freely admit U.S. government-sponsored journalists, such as those representing the Voice of America and Radio Free Asia. China frequently denies visas for such journalists, despite the fact that China's state-sponsored journalists are freely admitted in the United States. Options should be considered for linking Chinese cooperation to concrete consequences, including the possible use of U.S. visas for Chinese government journalists as leverage to gain admission of more U.S. government-supported journalists to China.

#### TRIBUTE TO RONALD AND NANCY REAGAN

Mr. LEAHY. Mr. President, we have come to the close of several days of tribute to our late President, Ronald Reagan. So much has been said about President Reagan's buoyant spirit and about the contributions he made to our Nation, and these tributes have helped millions of Americans with the healing process that comes with the death of so popular and beloved a leader.

Though much has already been said about President Reagan, I do want to pay special tribute today to our former First Lady, Nancy Reagan.

For me—and, I suspect, for millions of other Americans—some of the most stirring images of this memorable week have been of Nancy Reagan and

her family. We saw again, and so clearly, her strength, her compassion and her deep love for her husband.

Ever since President Reagan's deeply moving announcement to his fellow citizens and to the world that he was suffering from Alzheimer's disease, I have watched Mrs. Reagan conduct herself with compassion, loyalty, competence and caring that have been an inspiration to the thousands of family members who every day struggle to cope with loved ones suffering from this disease or from any of the long variety of other disorders that can come upon us in our older ages—and sometimes far earlier than that.

The Alzheimer's Association estimates that 4.5 million Americans today suffer from this debilitating disease. Often, family members and especially, spouses—end up as primary caregivers to their partners or other family members. Along with the emotional pain and heartbreak of watching the mind of a loved one slowly fade away, many caregivers are ill-equipped to handle the many facets of the illness that present themselves over the duration of this mental and physical struggle. Their own physical health suffers. Managing a job or any other activity outside the home becomes almost impossible.

I believe Nancy Reagan is an inspiration to so many Americans. The love that she and her husband so clearly showed to each other comforted and sustained their marriage in sickness, as it did in health.

Marcelle and I extend our best wishes to Mrs. Reagan and to the entire Reagan family.

#### AUSTRALIA FREE TRADE AGREEMENT

Mr. BAUCUS. Mr. President, in the book of Ecclesiastes, the Preacher spoke of how there is "a time to plan, and a time to uproot." The American farmer has known this truth from the first days when Indians first walked to this continent.

Those of us who are privileged to represent rural States know well the times of American farmers and ranchers. No matter what the time, their concerns are never far from our thoughts.

Times have changed for American agriculture, and for American jobs. In 1900, 37 percent of American workers worked in agriculture. Now, only about 2 percent do.

Of course, it doesn't seem like 2 percent to rural States such as Montana, North Dakota, and South Dakota, where agriculture can still account for as much as 50 percent of the economy.

But that is the reality: American farmers are more productive than ever. And because productive American agriculture produces more than American households consume, exports are as important as ever. That is why American farmers have been among the strongest supporters of international trade.

And it is about that intersection between American agriculture and international trade that I rise to speak today.

Last month, the United States and Australia signed a free trade agreement, taking an important step to connect two of the world's most vibrant economies. This agreement creates opportunities for both countries. For Australia, it offers integration with the world's largest economic power. For the United States, it offers a link to an Australian market that has one of the highest standards of living in the world—and is a key platform to markets in Asia.

In the coming weeks, we will hear about the significant economic benefits of this agreement. But I think we should also look at this agreement in a broader context. First, we need to take a balanced look at the agreement and assess its costs and benefits. Second, we need to view the Australia agreement in the context of our larger trade agenda.

The benefits of the Australia agreement are compelling—particularly in the context of the current debate over jobs moving overseas.

When compared to some of the other agreements that the administration is negotiating, Australia offers real benefits. And it is not subject to some of the traditional criticisms.

Compare the debate over the Australia agreement to the debate over the Central America agreement. Critics of CAFTA contend that Central America's lower labor and environmental standards will undercut jobs here at home. I share some of these concerns and continue to work hard on strengthening these standards.

Yet, with the Australia agreement, this tension disappears. Australian workers enjoy high labor standards. Australia protects its environment.

More importantly, Australian consumers want U.S. manufactured goods. Australia is one of the few countries where the U.S. enjoys a trade surplus. This fact helps explain the strong support of U.S. manufacturers for this agreement—which they estimate will result in \$2 billion more in exports every year.

This free trade agreement offers clear benefits to the U.S. economy and to U.S. workers.

Thus the Australia agreement does not raise the usual concerns over labor and the environment. But it does raise concerns over agriculture. And farmers are usually stalwart supporters of free trade.

Their anxieties are understandable. Australia is a major exporter of many of the same commodities that Americans produce—particularly beef, dairy, and sugar. Yet, Australia offers a relatively small consumer market in exchange. So, while Australian farmers would get increased access to our consumer market of around 250 million people, our farmers would get increased access to an Australian consumer market that is much smaller.

So when the administration announced late in 2002 that it intended to enter into negotiations with Australia, agriculture groups immediately voiced concern.

As I looked at the negotiations, I saw two options. I could sit back, say nothing, and hope for the best. This might have been politically expedient, given the anxieties within the agriculture community, but it would have risked getting a worse product, as a result.

Instead, I decided to engage the process, using my position as the ranking Democrat on the Finance Committee to help shape the best possible agreement for our country and our farmers. After consulting with the agriculture community in Montana, I decided that to do otherwise would be a disservice to the many farmers and ranchers back home who look to me to fight for them.

As I looked at this agreement, the potential concerns for beef, dairy, and sugar producers were clear. But I also saw potential gains for Montana—including wheat farmers and pork producers, as well as Montana's growing technology manufacturing industries. With this in mind, I set out to help Ambassador Zoellick find ways to mitigate the dangers and maximize the gains.

My staff and I worked closely with the U.S. Trade Representative throughout this process. And I met personally with the Australian Prime Minister and other officials. As negotiations entered a critical phase last December, I spelled out to Ambassador Zoellick the sensitive areas for Montana agriculture that needed his greatest attention. I also offered some ideas for how to manage them.

My staff and I worked tirelessly to ensure that negotiators—from both countries—understood and accommodated the needs of Montanans. In early February, the negotiators concluded an agreement that addressed sensitive Montana products with great care. The U.S. Trade Representative addressed my concerns on virtually every commodity.

While Australia agreed to the immediate elimination of all tariffs on many U.S. agricultural products, the U.S. received important protections.

Beef. On beef, my first concern was ensuring that the U.S. gets what is called "access for access." In other words, the U.S. Trade Representative should undertake new agreements and find new export markets to offset potential increased imports from Australia. The proposed U.S.-Thailand agreement, for example, will help us reach that goal. Thailand's population is three times larger than Australia's, with a consumer market that is growing quickly. We need to build on the Thailand agreement by opening other significant markets—particularly in Asia.

But we are several years from finishing the Thailand agreement. And we are likely several years from completing the current round of negotia-

tions in the WTO. So we need to make sure that increased access to our market is far enough down the road that it will be offset by other agreements. To address this, I worked with USTR to ensure a significant transition period. As a result, access for Australian beef will increase very slowly, with duties in place for 18 years. Importantly, the agreement only provides increased access for manufactured beef—other beef products will continue to face the same duties they face today.

I also worked to ensure the agreement contained special safeguards—so that there is not a surge of Australian imports into the U.S. market. As a result, the agreement contains two safeguards—one in effect during the 18-year transition, and another taking effect in year 19 to remain in place indefinitely.

Dairy. For dairy, this agreement recognizes the sensitivity of this industry by retaining existing tariffs indefinitely. Most importantly for Montana, tariffs for milk protein concentrates are unaffected by the agreement.

Sugar. Perhaps the most difficult issue in the agreement was how to address the concerns of the U.S. sugar industry. This industry faces extreme distortions on the global market, for example, high export subsidies in Europe. These distortions chronically depress the world price far below the world's average cost of production. For these reasons, sugar policy must be addressed multilaterally in the WTO negotiations.

In this agreement, Ambassador Zoellick took a difficult and controversial step in excluding sugar entirely from the agreement. Some have criticized him for this. But not this Senator and those I represent.

Sheep. Even for Montana sheep ranchers, who already face free trade in lamb, the agreement delays the elimination of the few remaining wool tariffs, rather than providing for their immediate elimination. This comes on the heels of initial efforts by the U.S. and Australian industries to establish a joint marketing effort aimed at increasing consumption of lamb.

Wheat. On wheat, which is a major Montana export, the agreement makes some progress toward our ultimate goal of reforming global markets. The U.S. industry and I had both hoped to secure an Australian commitment to restructure the Australian Wheat Board, a state trading enterprise, or STE, that acts as a monopoly trader controlling the Australian market. Because Australia is a significant exporter of wheat, their artificially low prices distort the world market and make it harder for U.S. wheat growers to compete.

While Australia did not agree to immediate changes to its Wheat Board, it did agree to reverse its position in the Doha Round negotiations and work with the U.S. to mandate global reform of STEs. This is an important step. It further isolates and undermines the Doha negotiating leverage of other

countries that use STEs to distort agriculture markets.

This will particularly help us in our efforts to force reform in Canada. Montana wheat producers are affected daily by the distortions introduced into the U.S. market by the Canadian Wheat Board. This part of the Australia agreement is thus a very positive development, and a clear improvement compared to the status quo.

SPS Issues. Finally, I reminded Ambassador Zoellick of the crucial need for Australia to resolve its sanitary and phytosanitary, or SPS, barriers to U.S. products. In response to U.S. concerns, the Australians agreed to resolve SPS disputes as soon as possible. I am pleased to note that the Australians have made good on this promise in the high-profile dispute over pork. Last month, Australia lifted regulatory barriers to U.S. pork. That one action could mean an additional \$50 million in U.S. pork exports.

U.S. negotiators understood my concerns in this agreement. I thank Ambassador Zoellick and his staff—particularly Al Johnson—for addressing them.

Of course, it would be a mistake to think that free trade agreements affect only farmers. For the great swath of American and Montana manufacturing workers hit hard by the more than 3 million jobs lost over the past 3 years, this agreement couldn't come at a better time.

Australia is one of the few large economies with whom the U.S. enjoys a trade surplus. With a standard of living higher than Germany, France, and even Japan, Australia has one of the most robust and fundamentally sound economies in the world. Guaranteed access to a market like this is crucial if we are serious about rebuilding the U.S. economy.

Industrial trade with Australia is already strong, but with this agreement, it will get even stronger. This agreement will eliminate tariffs on more than 99 percent of U.S. goods immediately. Mr. President, 93 percent of current U.S. exports to Australia are manufactured goods, so further economic integration is bound to help U.S. manufacturers and U.S. workers.

These benefits will extend to all parts of the country. Montana industries already export \$3.4 million worth of industrial goods to Australia. This number will only grow higher, as a result of this agreement. Montana will benefit not only from increases in direct exports, but from increased demand for other goods that require Montana inputs.

Further benefits would accrue to U.S. exporters from using Australia as a platform for more efficient access to Asian markets. This agreement will thus provide net benefits across a vast spectrum of the U.S. economy—manufacturing, services, investments, and workers.

But let me return to how international trade will help U.S. farmers.

This is always a fundamental question, particularly for those of us who represent rural states.

As a Montanan, it is hard to talk about international trade without thinking about agriculture. Over the years, U.S. agriculture has undergone enormous changes, for reasons that are much broader than globalization. The U.S., as a whole, has changed dramatically. Where we live, where we work, the things we make, the technology we use to make things—all of these have changed since our parents' time.

We need a rural America that is not only stable and prosperous; we need a rural America that is compatible in the long-term with a 21st century characterized by mobility and rapid technological advancement. We need a farm economy that is highly adaptive and aggressively focused on competitiveness.

To accomplish this, we need sweeping changes in several areas. We will need more agricultural research—an area suffering from an appalling decline in federal support. We will need a farm policy that facilitates, rather than simply underwrites, the farm economy.

And we will need a vigilant search for new and growing markets.

Of course, many of these needs are beyond the ken of trade policy, but the search for new markets is not. That is why fundamentally we need a strategy that embraces the global trading system.

For the U.S. to remain a superpower in agriculture, we must see the world as it is, not as it used to be. That means we need to focus our attention on global negotiations that will create real fairness in agriculture trade. I share the concern of many about a trade policy agenda that focuses too much attention on bilateral agreements, at the expense of our broader efforts in the World Trade Organization.

Yet, in the trend toward globalization, the industrial world is moving ahead. We should not allow agriculture to be left behind. Leaving agriculture behind in the 20th century trading regime would be disastrous for U.S. farmers, if for no other reason than they are, on the whole, the most productive and technologically advanced in the world. A globalized economy and its institutions are the only forum in which American farmers' technological advantage is most powerful. American agriculture must move ahead to prosper.

We cannot shut agriculture out of the globalizing process. We cannot settle for the status quo, hoping that it will sustain us indefinitely. As the rest of the world's agricultural producers rapidly develop, we cannot hide behind high tariffs and high subsidies.

The U.S. represents only 5 percent of the world's consumers. Yet, in commodity after commodity, we produce far more than Americans can consume. That is true of beef and wheat, for example. And demand from our own 5 percent will likely grow much more

slowly than demand from the other 95 percent. There are only so many steaks any one well-fed American can eat. But in the developing world, demand for food still has much room to grow. The more their wealth grows, the more that consumption patterns will shift from low-cost, starchy foods to high-value sources of protein such as beef and wheat.

We are faced, then, with a simple choice: Either we try to turn back the clock to a time of inferior technology and a more insular world or we seek greater access to the markets of the other 95 percent of the world. The choice is clear.

As a nation, we have embarked on a policy of opening markets. This is a wise policy and a sound one. The fruit of this effort should be more and higher-paying jobs for U.S. workers, more abundant choices for our consumers, and greater markets for our farmers and ranchers.

Yet, if we are going to sell our products overseas, then we have to engage global markets. And we can't do that in a vacuum. This means negotiating trade agreements and fighting the distortions—such as high tariffs and high subsidies—that other countries use to undermine our competitiveness. In that fight, we have no better ally than Australia.

At the heart of the matter, engaging global markets means opening doors. And we won't succeed in opening doors to other markets if we won't open our own. We can't insist that China, Thailand, Taiwan, and Japan open their markets to our products, if we aren't also willing to open our markets to theirs. And I can't insist that Ambassador Zoellick accommodate my concerns in a free trade agreement, if I am not willing to offer my support in return.

When Ambassador Zoellick announced the administration's intention to negotiate a free trade agreement, many of us harbored concerns that he would negotiate a far different agreement than the one we have before us today. But the protections that American negotiators built into this agreement are strong. And I congratulate the Trade Representative's office for its skill in negotiating such a tough agreement.

Mr. President, I will support the U.S.-Australia free trade agreement. I look forward to working with my colleagues to make sure that this agreement is implemented fairly. And I look forward to working with the U.S. Trade Representative to make sure that all trade agreements are the best possible deal for Montana.

This is the time for engaging our allies and for opening the door to new markets. This is the time for planting the seeds of a greater world trade system. As the American farmer has done down through the centuries, we should labor today for a future of growth.

RECOGNIZING THE PROFESSIONALISM OF MS. CAROL MADONNA

Mr. AKAKA. Mr. President, I recognize the efforts of Ms. Carol Madonna, a Brookings Institution LEGIS fellow, who has been a tremendous asset to me and my office during the past 18 months. Over the past year and a half, Carol has assisted me with fulfilling my responsibilities as a member of the Senate Committees on Armed Services and Veterans' Affairs. She has worked many long hours to address issues of concern to our men and women in the military, veterans, and Federal employees.

Mr. President, Carol Madonna is an excellent example of a dedicated Federal employee. She is always willing to pitch in and provide assistance. She is a very quick learner and an extremely hard worker. She adapts quickly to changing circumstances and is always responsive to situations. From early bird breakfasts with Pentagon officials to late vote evenings in the Senate, Carol was an invaluable member of my legislative staff and a quick study on the diverse and competing priorities that arise in the Senate on a regular basis. Her professionalism and dedication to getting the job done reflects well on the Defense Supply Center-Philadelphia, an agency within the Defense Logistics Agency, where Carol has been employed for the past 22 years.

Mr. President, Carol Madonna has many accomplishments that are worthy of mention. She is most proud, however, of her two sons, Dan Madonna, a teacher in Philadelphia, and Lee Madonna, who is about to receive his Associate's Degree from Delaware County Community College. As much as my staff and I will miss Carol, we wish her well as she joins her family in Philadelphia, and thank her for her wonderful service to the people of Hawaii and this great Nation.

#### EMPTY WORDS

Mr. KYL. Mr. President, I ask unanimous consent that the column "Empty Words" by Frank Gaffney, which appears in today's Washington Times, be printed in the RECORD. I believe that this piece appropriately emphasizes the crucial role continued research plays in maintaining the credible nuclear deterrent of the United States. As more information becomes available regarding covert nuclear programs in North Korea and Iran, the sustainability and credibility of America's nuclear arsenal is of paramount concern.

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

[From the Washington Times, June 15, 2004]

#### EMPTY WORDS

(By Frank J. Gaffney Jr.)

The U.S. Senate gets back to work today after a week of bipartisan mourning of Ronald Reagan and tributes to his security policy legacy. It is fitting that the first orders