

## PRODUCTIVITY OF THE 109TH CONGRESS TO DATE

(Mr. BURGESS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BURGESS. Mr. Speaker, with all of the negative press these days, one of the big stories that has been missed is how productive this Congress has been since the first of the year. In fact, this may be one of the most productive Congresses this country has seen since the Second World War.

Let me go through with my colleagues very quickly the 20 pieces of major legislation we have passed this year and the five appropriations bills we have passed since the beginning of the year.

We passed a class action fairness bill. We passed a highway bill and energy bill and our budget and the Real ID Act, which will strengthen our borders, and a bill for broadcast decency. We passed a continuity of the Congress bill, gang deterrence, funding for first responders, vocational and technical funding, homeland security. We have repealed estate tax for the second time, spyware prevention, bankruptcy bill, core blood registry, stem cell funding, restrictions on interstate transport for minors seeking abortions, job training.

Under appropriations, Homeland Security, Interior, funding for the military quality of life and the Agriculture bill yesterday, plus the supplemental earlier in the year, a tremendous record of accomplishment that this Congress could be proud of on a bipartisan basis because most of those bills did pass with a significant number of Democratic votes.

## WITHDRAWING APPROVAL OF THE UNITED STATES FROM AGREEMENT ESTABLISHING THE WORLD TRADE ORGANIZATION

Mr. SHAW. Mr. Speaker, pursuant to House Resolution 304, I call up the joint resolution (H.J. Res. 27) withdrawing the approval of the United States from the Agreement establishing the World Trade Organization, and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The text of H.J. Res. 27 is as follows:

## H.J. RES. 27

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress withdraws its approval, provided under section 101(a) of the Uruguay Round Agreements Act, of the WTO Agreement as defined in section 29 of that Act.*

The SPEAKER pro tempore (Mr. REHBERG). Pursuant to House Resolution 304, the gentleman from Florida (Mr. SHAW), the gentleman from Maryland (Mr. CARDIN), the gentleman from Texas (Mr. PAUL), and the gentleman from Vermont (Mr. SANDERS) each will control 30 minutes.

The Chair recognizes the gentleman from Florida (Mr. SHAW).

## GENERAL LEAVE

Mr. SHAW. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.J. Res. 27, the joint resolution under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. SHAW. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this morning the House considers the withdrawal of the United States from the World Trade Organization. I strongly oppose this resolution and urge my Members to join me in this opposition.

As a member of the World Trade Organization, the United States is one of 148 member countries. Our role in this global body is tremendously important, not only for the future of the United States trade but for the continuation of global trade liberalization.

As the world's leading economy, the largest economy that has ever been on the face of this earth, we all too often focus our attention on the aspects of trade we disagree with. When Members of Congress meet with our international counterparts, we spend a large amount of time discussing specific trade barriers and little time supporting the broad range of cooperation and successes that we may share.

Continued membership in the World Trade Organization will allow the United States the opportunity to continue cooperating as we work towards free trade benefiting United States consumers, farmers, manufacturers and firms.

Currently, the World Trade Organization is negotiating the Doha Round. Congress has been deeply involved with the administration as the Round continues to move forward. It is tremendously importantly that we remain active in these negotiations and push for a completed Doha.

Finally, I congratulate Mr. Pascal Lamy of France on his selection as the new World Trade Organization Director General. I am hopeful his abilities will enable the World Trade Organization to balance the concerns of its members. I look forward to working with him in the future.

Finally, Mr. Speaker, it is my strong view that the United States greatly benefits from our continued participation in the World Trade Organization.

Mr. Speaker, I reserve the balance of my time.

Mr. SANDERS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, let me begin by mentioning that this is a bipartisan resolution, and I want to thank our cosponsors: the gentleman from Oregon (Mr. DEFAZIO), the gentleman from Tennessee (Mr. DUNCAN), the gentleman from Arizona (Mr. GRIJALVA), the gentleman from Indiana (Mr. HOSTETTLER), the gentleman from

North Carolina (Mr. JONES), the gentleman from Ohio (Mr. KUCINICH), the gentleman from Texas (Mr. PAUL), the gentleman from Wisconsin (Mr. SENSENBRENNER), the gentleman from Michigan (Mr. STUPAK) and the gentleman from Colorado (Mr. TANCREDO). I thank them very much for their support.

Mr. Speaker, I do not have any great illusions that this resolution will win today. When the gentleman from Texas (Mr. PAUL) offered it 5 years ago, it only received 56 votes. I hope, however, that as many Members as possible will vote for it today for one simple reason. It is time to send the Bush administration a message and a wake-up call that our current trade policies have failed and need to be completely rethought so that they represent the needs of the middle class and working families of our country and not just the CEOs of large corporations.

Mr. Speaker, international trade is a good thing, if implemented properly, but the evidence is overwhelming that our current trade policies, including NAFTA, including permanent normal trade relations with China, and the current roles of the WTO are not working for average Americans, they are not working for the environment, and they are not working for human rights. If we do not fundamentally change those policies, we can only expect more of the same.

The WTO was signed in 1995, and our current support of unfettered free trade has gone on for some 30 years. And what has been the result of those policies for the middle class of this country? Let us discuss it.

In a period in which technology has exploded, in a period in which worker productivity has significantly increased, we would think that the middle class would be better off.

## □ 1030

But the economic reality today is that what every American knows is that the middle class of this country is collapsing. Poverty is increasing, and the gap between the rich and the poor is wider today than at any time since the 1920s. Are our disastrous trade policies the only reason for this? No. But they are an extremely important part of that equation, and that is for sure.

Mr. Speaker, in 1995 when the WTO was established, our trade deficit was \$96 billion. Today our trade deficit is a record-breaking \$617 billion and is on pace to become \$700 billion next year. Our trade deficit with China alone is \$162 billion.

Mr. Speaker, while some of my colleagues are going to extol all of the wonderful virtues of unfettered free trade, perhaps they can explain why in the last 4 years alone we have lost 2.8 million good-paying manufacturing jobs, one out of six in this country. One out of six in the last 4 years. In my own small State of Vermont, we have lost 20 percent of our manufacturing jobs in the last 5 years. Many people know

that General Motors has just announced they are going to lay off another 25,000 American workers. GM is producing cars in China, and there is some reason to fear that in 10 or 20 years, Detroit and automobile production in this country will be diminished as car manufacturing moves to China.

When my friends come up here and they tell us how great free trade is for our economy, I want them to explain why real inflation accounted for wages in the United States today is 7 percent lower than they were in 1973 for the bottom 90 percent of workers. And why is it that million of workers today in Vermont and throughout this country are forced to work two or three jobs just to keep their heads above water if free trade and globalization are all so great?

When my friends talk about the so-called robust economy that has been created, perhaps they can explain to us why 4 million more Americans now live in poverty than just 4 years ago, 4 million more Americans in poverty; and why incredibly there are 24,000 fewer private sector jobs now than when George Bush first took office. If our trade policies are so successful, how could we have experienced an unprecedented net loss of private sector jobs over the last 5 years? The only new net jobs that have been created by the Bush administration have been government jobs, 917,000 of them. Maybe the Republican Party is becoming the party of big government and creating government jobs, but certainly it has not been private sector jobs that free trade is supposed to create.

Today the gap between the rich and the poor is growing wider. The richest 1 percent of our population now own more wealth than the bottom 90 percent, and unfettered free trade has only made that worse. The gap between the rich and the poor more than doubled from 1979 to 2000. According to the Institute for International Economics, 39 percent of the increase in income equality is due to unfettered free trade.

Further and most ominously, if our present trade and economic policies continue, the likelihood is that the next generation will be the first in the modern history of the United States to have a lower standard of living than we do. According to a recent report from the Department of Labor's Bureau of Labor statistics, over the next decade, seven out of the 10 fastest-growing occupations will be low-paying, low-skilled jobs that do not require a college education. Is that what free trade is giving to our kids, jobs at Wal-Mart, jobs at McDonald's, while the General Motors jobs, the General Electric jobs are going to China?

Mr. Speaker, it is not only blue collar jobs that we are on the cusp of losing. Millions of white collar information technology jobs are also on the line to go to China and India. Andy Grove, the founder of Intel, predicts that the United States will lose the bulk of its information technology to

jobs to China and India within the next decade.

Mr. Speaker, the bottom line of this debate, and I want my friends to answer this, is that American workers should not be asked to compete against desperate people in China who make 30 cents an hour and who go to jail when they stand up for their political rights. That is not what we should be engaged in. The race to the bottom has been a disaster for the middle class.

Mr. Speaker, I reserve the balance of my time.

Mr. CARDIN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, let me first point out to those who may be following this debate why we are here today. I am sure people are wondering why we have a resolution on the floor that would withdraw us from the WTO and how that comes to the floor from a recommendation of the committee of jurisdiction that it be reported unfavorably, that is, that we vote against this resolution.

The reason we have this resolution before us is that 10 years ago we passed legislation to gain access to the WTO. At that time Bill Clinton was the President of the United States. Congressman Gingrich thought it was important that because the legislative branch of government is the branch responsible for trade that there be a review process every 5 years as to whether we should remain within the WTO, to give Congress the ability to exercise its constitutional responsibility to oversight and be responsible for trade. At that time, Mr. Speaker, I must tell the Members I had certain concerns as to why we would want to have basically a nuclear option in pulling out from the WTO.

Today, I am pleased that we can review the WTO because I think it is important for us to have a debate as to where we are in the WTO. I would suggest, though, we should have a more sophisticated review process than just to vote to withdraw from the WTO. As the ranking Democrat on the Trade Subcommittee working with the gentleman from Florida (Mr. SHAW), we very much oppose this resolution and urge the rejection of the resolution. We believe it is in the interest of the United States to be in a rules-based trading system and to withdraw from a rules-based trading system would be folly, it would be wrong. Do we need to improve it? Yes, we do need to improve the WTO. Can we strengthen it? Yes, we need to strengthen it.

Quite frankly, I think that we should be working more aggressively with our trading partners to enforce our existing trade rules. When we see the manipulation of currency by China and we take no action against it, that is wrong. When we see other countries infringe on our intellectual property rights and we do not enforce our existing rules to make sure that we do not allow the stealing of our intellectual property rights, that is wrong. When we see Europe provide subsidies for ev-

erything from aircraft to agriculture products and we do not take efficient action against them, that is wrong. When we do not enforce our own anti-dumping laws which are permitted to be enforced to stop the surge of products into this country, that is wrong.

So, Mr. Speaker, I do think we need to strengthen these laws, but it would be wrong for us to withdraw. We want a rules-based system, but we want to strengthen that system.

Mr. Speaker, quite frankly, I think we should be spending more time talking about the Doha Round. That is the next stage of trying to move internationally under the WTO to expand opportunity for American manufacturers, farmers, and producers. The so-called Doha Development Agenda negotiations have reached a critical phase. It is generally agreed that in order to have a successful meeting of the ministers this December in Hong Kong, the members of the WTO will have to come to a significant level of agreement by July on three key areas.

First, agriculture. I must tell the Members I am concerned we have not made anywhere near the progress on agriculture that we need to do. I welcomed the announcement last week that the next director-general of the WTO will be Pascal Lamy, the former trade commissioner of EU, who comes from France. Obviously, Mr. Lamy will have a special burden to demonstrate that he can make progress in this area where the European Union has been so outrageous in its subsidies. We need to narrow that gap. We will wait to see whether, in fact, that can be accomplished.

The second area is in manufactured goods. There are two challenges here: tariff reductions particularly by the advanced developing countries and the elimination of the so-called nontariff barriers, the NTBs. And in both of these areas, much work remains to be done if we are going to have a successful Doha Round. I am particularly concerned about the negotiations on the NTBs which lie far behind at this time. This is a critical area for U.S. manufacturing, particularly in large markets such as Japan, Korea, and China.

And, finally, in the area of services, we are far behind where we should be in expanding opportunity for services by U.S. companies in other markets. I hope that our negotiators will be able to make up for lost time in the next couple of months so that an ambitious services package will be approved in Hong Kong.

There is one other area I want to mention, Mr. Speaker, as we review our participation in the WTO, and that is the dispute settlement system. The dispute settlement system is absolutely critical to a successful WTO. I must tell the Members I have major concerns as to how the dispute resolution system is working within the WTO. Under the old GATT system, silence in an agreement meant that a country could do what it deemed appropriate.

Under the decisions of the appellate body and the panels of the WTO, silence has been altered to mean that the appellate body and panels do what they think is appropriate. That is just wrong.

The number of cases are disturbing. In 33 cases brought against the United States since 1995, panels or the appellate body have overreached, overreached, in 22 of them. That is two-thirds. We need to have a way to review what the appellate body and dispute resolution panels are doing, and we are not doing that.

The consequences of this overreaching are clear. In 10 years the WTO has not affirmed a single safeguard measure as applied by the United States or any other country. In trade remedy cases involving the United States, anti-dumping duties, countervailing duty measures, and safeguard cases, the WTO has upheld the United States decision in two of 17 cases. That is an 88 percent loss ratio, clearly one that we need to take a better look at.

A growing number of observers are coming to recognize that the extraordinary loss rate is because the WTO panels and its appellate body do not respect the letter of the WTO agreements and are filling in the gaps beyond what the U.S. negotiators agreed to in the Uruguay Round.

Mr. Speaker, I mention this because this is another area that we have to make up for lost ground in our negotiations under the WTO. So make no mistake about it, we should reject this resolution overwhelmingly because it is in the interest of the United States to participate in a rules-based international trading system. I represent a community that includes the port of Baltimore. I want products coming into the United States. I also want products leaving the United States through the port of Baltimore. It is important for our economy. But we have to do a better job in our negotiations within the WTO, and that is what we need to concentrate on. That is what we need to work together on. And if we do that, it will be a win-win for this Nation. We will be able to increase jobs through manufacturing, through production, and through farming.

Mr. Speaker, I reserve the balance of my time.

(Mr. PAUL asked and was given permission to revise and extend his remarks.)

Mr. PAUL. Mr. Speaker, I first yield 3 minutes to the gentleman from North Carolina (Mr. JONES).

Mr. JONES of North Carolina. Mr. Speaker, I thank the gentleman from Texas and the gentleman from Vermont (Mr. SANDERS) for bringing this joint resolution to the floor.

Mr. Speaker, I come to the floor today because I believe that WTO membership has been a disaster for the U.S. worker. Since WTO, 1995, America's annual trade deficit grew from \$96 billion to \$617 billion. My home State of North Carolina has lost over 251,000

manufacturing jobs. The United States has lost over 2.9 million manufacturing jobs.

Mr. Speaker, it was not too long ago that, I did not vote for it, but we gave trade promotion authority to the President of the United States. I was opposed to it when Mr. Clinton asked for it. I was opposed to it when Mr. Bush asked for it. And let me tell the Members what has happened since trade promotion authority, August of 2002.

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North Carolina has lost over 52,000 manufacturing jobs, and the United States has lost over 600,000 manufacturing jobs.

Let me take just a moment to talk about how WTO membership strips American sovereignty. If the United States does not change its laws to suit WTO, then America's businesses and consumers face trade sanctions. Trade disputes are decided by international panels that are hand-picked by the WTO. The identities of panel members are kept secret, and deliberations are kept confidential. These WTO panels have ruled in favor of the United States less than one-third of the time. They have ruled in favor of the United States less than one-third of the time.

WTO panel rulings go far beyond trade. In fact, the WTO panel recently found a Utah law prohibiting Internet gambling to be illegal. What will the WTO do next?

Let me quote from Robert Stumberg, a trade law expert at Georgetown University, from Business Week, March 7, 2005. I quote: "If Bush successfully engineers the introduction of private Social Security accounts, WTO rules would require the feds to let foreign money managers and insurers bid to manage them."

How far do we have to go before we give up the sovereignty of this Nation? I do not know about you, Mr. Speaker, but I think letting the Chinese manage American Social Security accounts is a bad idea. Unfortunately, under WTO, there is little we can do to prevent it. We have already outsourced 1.5 million jobs since 1989 to the Chinese. We do not need to give control over to the Chinese of Social Security accounts in America.

Mr. Speaker, before I close, I want to make a real quick point. On my right, this chart shows on July 31, 2003, in North Carolina we lost 6,450 jobs. It says, "Five North Carolina plants close in the largest single job loss in the State's history." Just 3 weeks ago, Mr. Speaker, a plant in my district announced that 445 jobs would be going overseas.

Mr. Speaker, I close by asking my colleagues that care about the American workers and care about the sovereignty of America to please join us in this effort.

Mr. PAUL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of our position to remove ourselves

from the WTO. My economic position is somewhat different from some of my allies, because I come at it from a free trade position.

I happen to believe in minimum tariffs, if any, but I do not believe that the process of the WTO and world government is a good way to do it. I do not think the WTO achieves its purpose, and I do not think it is permissible under the Constitution. Therefore, I strongly argue the case that, through the process, that we should defend the position of the Congress which gives us the responsibility of dealing with international trade, with international foreign commerce. That is our responsibility. We cannot transfer that responsibility to the President, and we cannot transfer that responsibility to an international government body.

Therefore, there are many of us who ally together to argue that case, although we may have a disagreement on how much tariffs we should have, because the Congress should decide that. We could have no tariffs; we could have a uniform tariff, which the Founders believed in and permitted; or we could have protective tariffs, which some of those individuals on our side defend, and I am not that much interested in. But the issue that unifies us is who should determine it. For me, the determination should be by the U.S. Congress and not to defer to an international government body.

Now this always bewilders me, when my conservative friends and those who believe in limited government are so anxious to deliver this to another giant international body. For instance, the WTO employs over 600 people. Free trade, if you are interested in free trade, all you have to do is write a sentence or two, and you can have free trade. You do not need 600 bureaucrats. It costs \$133 million to manage the WTO every year. Of course, we pay the biggest sum, over \$25 million for this, just to go and get permission or get our instructions from the WTO.

We all know that we raised taxes not too long ago, not because the American people rose up and called their Congressmen and said we wanted you to repeal this tax and change the taxes. It was done in order to be an upstanding member of the WTO. We responded and took instructions from the WTO and adapted our tax policy to what they desired.

One other issue that I think those who defend the WTO and call themselves free traders ought to recognize is that when we concede the fact that there should be a trade-off, it means they really do not believe in free trade. If you believe in free trade and the people have the right to spend their money the way they want, it would be as simple as that. It would benefit that country, because you could get your goods and services cheaper.

But this whole concession to the management of trade through the WTO says, all right, we are going to do this if you do this, and it acknowledges the

fact that free trade does not work unless you get something for it. That may be appealing to some, but a free trader should not argue that way. Because free trade, if it is a benefit, it is simply a benefit.

In the 1990s when the WTO was originally passed, the former Speaker of the House made a statement about this. I want to quote from him. This is from Newt Gingrich. He was talking about the WTO: "I am just saying that we need to be honest about the fact that we are transferring from the United States at a practical level significant authority to a new organization. This is a transformational moment. I would feel better if the people who favor this would be honest about the scale of change. This is not just another trade agreement. This is adopting something which twice, once in the 1940s and once in the 1950s, the U.S. Congress rejected. I am not even saying that we should reject it. I, in fact, lean toward it. But I think we have to be very careful, because it is a very big transfer of power."

I agree with Newt Gingrich on this. It was a huge transfer of power. I happen to believe it was an unconstitutional transfer of power; and, therefore, we are now suffering the consequences because we have lost prerogatives and control of our own trade policy.

Now the President of the Ludwig von Mises Institute, a free market think tank, from Auburn, Alabama said, "The World Trade Organization is supposed to be the great apparatus to push the world to greater economic integration. In reality, it was nothing but the resurrection of the old central planning fallacy that the world needs a central authority to manage it. The WTO has ended up politicizing trade by putting the stamp of officialdom on some very bad policy."

So my message is to appeal to those who believe in limited government, free markets, free trade and the Constitution. I appeal to those who want to use tariffs in a protective way because they defend the process. But I am really appealing to the conservatives who claim they believe in free trade, because I do not believe what we have here is truly free trade.

The WTO has already been able to influence our tax laws. Not too long ago, Utah repealed a ban on electronic gambling for fear the WTO would come in and find that violated free trade.

Another area of importance to so many of us, both on the left and the right of the political spectrum, has to do with the Codex Commission regulation set up by the United Nations. How much regulation are we going to have on vitamins and nutrition products? The UN already indicated the type of regulation. Guess who may, most likely, be the enforcer of these regulations? It will be the WTO. The Europeans have much stricter regulations. This means that some day the WTO may well come to us and regulate the distribution of vitamins and nutritional

supplements in this country, something that I do not think we should even contemplate. The case can be made that if they have already pressured us to do things, they may well do it once again.

Our administration is not too interested in the Kyoto Protocol, but that may well come down the road, and the enforcement of the Kyoto Protocol many believe will be enforced by the WTO.

So this is big government, pure and simple. It does not endorse free trade whatsoever. It endorses managed trade; and too often it is managed for the privileges of the very large, well-positioned companies. It does not recognize the basic principle that we should defend as a free society individuals ought to have the right to spend their money the way they want. That is what free trade is, and you can do that unilaterally without pain and suffering.

So I ask Members to consider, why should we not reclaim some of our prerogatives, our authorities, our responsibility? We have given up too much over the years. We have clearly given up our prerogatives on the declaration of war, and on monetary issues. That has been given away by the Congress. And here it is on the trade issue.

I can remember an ad put out in the 1990s when the WTO was being promoted and they talked directly, it was a full page ad, I believe, in the New York Times. They said, "This is the third leg of the new world order." We had the World Bank, we had the IMF, and now we had the World Trade Organization.

So if you are a believer in big government and world government and you believe in giving up the prerogatives of the Congress and not assuming our responsibility, I would say, go with the WTO. But if you believe in freedom, if you believe in the Constitution and if you really believe in free trade, I would say we should vote to get out of the WTO.

Mr. Speaker, I ask unanimous consent that my remaining time be allotted to the gentleman from Vermont (Mr. SANDERS) and that he be able to control that time.

The SPEAKER pro tempore (Mr. REHBERG). Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. CARDIN. Mr. Speaker, I am pleased to yield 4 minutes to the gentleman from Louisiana (Mr. JEFFERSON), a distinguished member of the Committee on Ways and Means.

Mr. JEFFERSON. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, I rise today to stress the importance of our country's participation in the World Trade Organization. Right now, it seems this resolution is destined for rejection. But addressing it today does give us a much-needed opportunity to focus on the WTO and how the U.S. can maximize its membership for the benefit of U.S. firms, workers and farmers.

The success of U.S. participation in the WTO should be measured by our ability to liberalize markets and set fair trade rules for all WTO Members. Clearly, the United States has benefited greatly from its WTO membership and plays a leading role in shaping the way the world trades today.

Since the creation of the WTO, U.S. exports and overall trade have expanded significantly, with a \$283 billion or 64 percent increase in U.S. manufacturing exports; a \$139 billion or a 70 percent increase in U.S. services exports; and an \$18 billion or 39 percent increase in U.S. agricultural exports.

Once WTO agreements are set and commitments are made, however, it is crucial that the U.S. ensure that the countries involved live up to their part of the deal. This is where we have fallen short.

Here, the U.S. has several concerns, such as China's failure to follow through with its commitments to ensure that domestic and foreign firms can distribute products within that country as of December 2004; many countries have failed to meet their TRIPPS commitments and have not effectively enforced intellectual property rights and the protection of data privacy; there is concern regarding the establishment of standards, licensing and customs barriers, including the EU's customs procedures and its proposed new chemical regulations; and there is concern about the continued proliferation of many agricultural barriers, such as the unscientific barriers to many agricultural products in Europe, China and elsewhere.

The United States should continue to insist that all WTO members implement the WTO agreements in a timely and comprehensive manner.

Like many of my colleagues, I hope the WTO will successfully conclude the Doha Development Round and continue to contribute to the dynamic global marketplace as a growth engine for WTO member economies.

However, in the Doha Development Round, many developing countries expressed concerns regarding implementation of some commitments, and they have sought extensions and delays. Here, technical assistance and support for capacity building are critical tools needed to advance implementation goals.

I will continue to work with my colleagues on the Committee on Ways and Means and in the Congress to ensure that the U.S. provides technical support and capacity building measures to assist developing countries in meeting their WTO commitments.

□ 1100

If trade is to be a tool of development and growth for our developing-country trading partners, we must play a central role in helping the WTO facilitate compliance with member obligations. I stress this today because I want our new USTR Ambassador Portman to know that this is and should always be

a priority for the United States at the World Trade Organization.

Mr. SHAW. Mr. Speaker, I yield myself such time as I may consume. A lot of astounding remarks have been made since I stood up here and introduced this resolution, in the negative. There are a couple of things I think we need to really talk about.

What has been the economic growth of the United States? How fast is our economy growing? It is growing at the rate of 4 percent. How fast is the economy in Europe growing? It is 1 percent. How fast is the European economy growing? It is 1 percent. The China economy is growing at 9 percent, but let us look at what that means. Nine percent of the Chinese economy is less than 4 percent of our economy. So I can say with all certainty that we have, in terms of dollars, the fastest growing economy in the world. No question about that.

And of this economy, what percentage is exports? It is 25 percent. Are we not concerned about those jobs? And when we talk about the loss of jobs in the United States, we are not talking about a net loss; we are talking about, yes, there has been some loss of jobs and, yes, a lot of these jobs have been because of foreign competition, yes. But our economy has grown in other areas, so it has also created jobs. If we look at just the jobless rate of where we are now and where we were a few years ago, we are doing pretty darn good. If we look at the world economy, we are doing really good.

So why would we want to send a message to the administration by attempting to throw the world economy into chaos? It makes absolutely, absolutely no sense.

Mr. Speaker, I yield 3 minutes to the gentleman from Arizona (Mr. KOLBE).

Mr. KOLBE. Mr. Speaker, I thank the gentleman from Florida for yielding me this time, and I want to associate myself with his remarks, and I appreciate his leadership on this.

Mr. Speaker, I rise in opposition to the resolution calling for the U.S. withdrawal from the World Trade Organization.

The WTO is the most important international organization that governs world trade. Decisions are made by the member countries. The WTO has 148 members and 31 observer governments, many of those, most of those are applicants for membership. Its members represent over 95 percent of world trade. Trade agreements administered by the WTO cover a broad range of goods and services trade and apply to virtually all government practices that directly relate to trade; for example, tariffs, subsidies, government procurement, and trade-related intellectual property rights.

U.S. membership and leadership in the World Trade Organization is essential. It is definitely in our national and our political and our economic interests to continue to be a member. Our membership translates into real eco-

nomic growth in this country, as the gentleman from Florida very correctly said. During the 10 years of U.S. participation in the WTO, international trade and investment have been important forces driving our impressive economic growth. Over that period, trade accounted for one-quarter of all U.S. economic growth and supported an estimated 12 million jobs. Furthermore, trade promotes economic competition, which keeps inflation low.

Now, let me take just one moment to rebut an all-too-often made allegation against U.S. membership in the WTO, namely, that membership is a violation of U.S. sovereignty and the U.S. Constitution. WTO dispute panels cannot overturn or change U.S. Federal, State, or local laws. They have no authority to change a U.S. law or to require the United States or any State or local government to change its laws or decisions. Only the Federal or State governments can change a Federal or State law.

If a U.S. law is inconsistent with the WTO, our trading partners may withdraw trade benefits of equivalent effect. However, under trade agreement rules, the United States retains complete sovereignty in its decision of how to respond to any panel decision against it. That was made abundantly clear the last several years as Congress grappled with changes to our corporate tax structures for foreign sales corporations, or FSC, to accommodate commitments we have made to our trading partners. Only Congress could make those changes to the law as we grapple, and we grappled, with that.

Those who falsely portray the WTO as a violation of U.S. sovereignty are ones who simply want an unfettered ability to preserve or create more protectionism.

I urge my colleagues to vote against this resolution and to continue the U.S. membership in the World Trade Organization.

Mr. SANDERS. Mr. Speaker, I am happy to yield 3 minutes to the gentleman from Oregon (Mr. DEFAZIO).

Mr. DEFAZIO. Mr. Speaker, the economic disaster wrought by a radical free trade policy on the working people of America is well documented, but I am going to focus on another aspect of this WTO agreement that the previous gentleman spoke about. He said that the secretive dispute resolution panel, which has no conflict-of-interest rules, does not allow outside interveners, only allows the two representative governments into the room, and deliberates secretly and comes up with a binding, a binding, decision and cannot change U.S. laws.

Now, I raised this issue with the Clinton administration when they negotiated this misbegotten agreement; and I said, How can you enter us into an agreement where secretive panels can preempt our laws? They said, oh, you do not understand, you are wrong, just like the gentleman before me. Yes, it is technically true, they cannot reach

into the United States and change a law. We can, if they find our rule to be non-WTO compliant, which they have more than 90 percent of the time when complaints are brought against the United States of America, we have an option. We can repeal the law, or we can pay a fine to keep it, a huge fine, in many cases. So environmental protection, consumer protection, buy America, buy Oregon, buy your State, all of those things, we can have those laws. That is right. He is technically right. We just have to pay massive penalties to foreign governments to keep them.

This is an extraordinary undermining of the sovereignty of the United States of America and the interests of the American people. This is not about free trade; this is about corporate-managed trade through a secretive body which is dominated by those very same corporations and many dictatorial governments around the world; and the U.S. is bound by their secretive decisions. This is absolutely outrageous.

To date, the WTO has ruled U.S. policies illegal 42 out of 48 cases, 85.7 percent that has been brought against us. They ruled illegal regulation issued under the Clean Air Act; the United States Tax Code; laws to protect companies from unfair dumping or subsidized foreign products, among others. And it is true. We can keep those laws if we are willing to pay massive fines to keep them.

Now, what kind of sovereignty is that? Next in their sights are buy America laws, those referenced by the gentleman from the Carolinas. What he said is he does not want to see a Social Security program administered from China. Now, people would have thought that was a weird thing to say. No. The WTO requires we cannot discriminate in terms of who the vendors will be. In fact, homeland security can be provided by the Chinese, or maybe even by Iran, under the rules of the WTO. Will that not be just peachy?

This is an extraordinarily radical agreement which we do not need. The U.S. did just fine as the greatest trading Nation in the world with bilateral agreements. We can go back to that system, and we can do better than we are doing under this so-called rules-based system.

Mr. SHAW. Mr. Speaker, just one moment, I think, to respond to the gentleman who was just in the well, and that is in the 10 years that we have been members of the World Trade Organization, our environmental laws have never been challenged, have never been challenged, nor will they.

Mr. Speaker, I reserve the balance of my time.

Mr. CARDIN. Mr. Speaker, I am now pleased to yield such time as he may consume to the gentleman from Michigan (Mr. LEVIN), the former ranking Democrat on the Subcommittee on Trade, one of the senior members of the committee on Ways and Means.

(Mr. LEVIN asked and was given permission to revise and extend his remarks.)

Mr. LEVIN. Mr. Speaker, I rise in opposition to the proposal that we withdraw from the WTO. I urge that we look at this basic question: on balance, would we be better off if there were not a WTO? And I think the answer to that is we would not be.

Expanded trade has occurred in this country and in this world. It is not a win-win proposition, as some people like to say. There are losers as well as winners, both individually and in nations. It is not an easy proposition, expanded trade. However, globalization is here to stay. There is no turning back the clock. The question is to try to make the hands tick well and in the right direction.

There has been some argument about sovereignty. It is not true that WTO decisions do not impact U.S. laws. That is not true. I supported the GATT agreement; I helped to shape the implementation language. Did it have some impact on U.S. laws? Yes. Were there some requirements that U.S. laws be changed? Yes. By definition, tariff agreements require changes in laws here and everywhere else, unless they are decreed by edict. The WTO changed from GATT, and so now there is a final dispute settlement mechanism. I think on balance that was a good idea because, otherwise, every country could veto, and that was not workable.

But we have to look at the problems as well as the promise, the problems as well as the achievements.

The dispute settlement system is flawed. The answer is not to withdraw from the WTO; it is to work hard to change the dispute settlement system. As was said earlier, it is very opaque, that is true. There is not an openness that there should be; and when it comes to our safeguard provisions that many of us worked hard to put into law, the gentleman from Maryland (Mr. CARDIN), who is the ranking member, was part and parcel of that, as well as the gentleman from New York (Mr. RANGEL), and those on the Republican side, we worked hard to put safeguards in. Every challenge to safeguards has been upheld by the WTO. We have lost every case. We have not known what went into the consideration of the decision fully, we did not see all the briefs, and we did not know the basis for the decisions, in many cases. In some cases they went beyond the language of the WTO agreements.

A Wall Street Journal article earlier this month had this statement about panelists: "They don't have time to develop expertise and procedural and technical aspects of the dispute settlement system." And we are going to have them judge the Boeing, the complicated Boeing case, for example? We need to change, and work harder to change, the dispute settlement system, not to withdraw from the WTO.

So there are some major structural problems.

Also, relating to China, I have been very dissatisfied with the way the WTO has handled the annual review of China's obligations that we worked so hard to bring about. Part of the problem is with the WTO in Geneva, part of the problem has been our administration that has not vigorously, and the gentleman from Maryland (Mr. CARDIN) has worked so hard to illustrate this, the administration has not worked actively enough to get China to live up to its agreements. So more needs to be done by the administration, and we have been losing too many cases, and we have been filing too few cases.

So my suggestion is that we focus today on the accomplishments, but also the barriers, to effective operation of the WTO.

□ 1115

One issue the WTO has totally failed to address relates to core labor standards. On environment, they have kind of a group that looks at environmental issues.

On core labor standards, there has been resistance to address this. Years ago, there was a proposal by the Clinton administration to set up a working group within the WTO. That was resisted, resisted by many, including developing nations.

I think now, as developing nations have to compete with each other, including China, where labor standards essentially are nonexistent, those developing nations are beginning to say, well, maybe the WTO should address it. But it has not.

The argument was, okay, let us use bilateral agreements as building blocks in a number of areas, including core labor standards. And that is why I want to say just a few words now about the failure of this administration to use bilateral agreements effectively as a building block when it comes to basic core labor standards, the ILO labor standards, child labor, forced labor, nondiscrimination, and the right of workers to assemble, to organize, to have unions if they desire, and to bargain collectively.

CAFTA is a vital agreement in terms of where globalization is going. In Latin America, there is growing unrest and changes in government, in part because of the failure to have the large numbers of people, the largest proportion of people, share in the benefits of globalization.

So what did this administration do under these circumstances? It negotiates a standard, enforce your own laws. Enforce your own laws is only used as to core labor standards, not as to intellectual property or tariffs or anything else. And the tragedy of it is that the laws in Central America, to some extent the Dominican Republic, do not meet the basic standards giving people the freedom in the labor market. That is the basic fact. The ILO reports say so, despite what the administration tries to say. Their own State Department reports say that, despite

what the administration and our new USTR, Mr. Portman, said this morning.

What is at stake is the development of a middle class that is so critical. And I am going to say more about this later today. The experience in countries is that workers are a critical part of the evolution towards a strong middle class.

There was a reference by Mr. PORTMAN to Jordan. And what he said, that CAFTA is stronger than Jordan, it is simply not true. It is not correct. Jordan has reference in its agreement to the core labor standards, that is not true of CAFTA. And the enforcement capability in Jordan was left to each country to undertake.

So I just wanted to comment on this, because the bilateral agreements were supposed to be a building block where the WTO did not address an issue; and there is a failure at this critical point of globalization, a critical missed opportunity in terms of helping the benefits of globalization being widely shared.

I want to close, and I will say more about this later today, why it matters to the U.S. It matters in terms of Central America, which, as I say, has such income disparities that are true of Latin America generally.

What it means is, as to Central America, if workers are not going to be able to participate, to have freedom, to be able to associate, to become a part of the workplace, and are going to remain in poverty, it is bad for those workers, it is bad for those countries that desperately need a middle class, it is bad for our workers who will not compete with countries where workers are suppressed, and it is bad for our companies if there is no strong middle class to purchase our products.

So I am deeply disappointed by this effort to skirt this basic issue at this important time. A building block? No, CAFTA moves backwards from the present status instead of moving forward. And this notion that we are going to give more money to our Labor Department to enforce the laws, when they are cutting the budget, this Congress and the administration, are cutting these moneys for ILAB and other parts of the Labor Department. You cannot pour money to enforce inadequate laws and have it work out well.

So, in a word, what we need is a trade policy built on a bipartisan foundation, which is not true today. What we need is a trade policy that helps move globalization forward, that makes sure that more and more people share in the benefits of globalization. Pulling out of the WTO is not going to accomplish that. Instead, we need to work together to make the WTO more responsive in all respects and also to make sure that our bilateral agreements meet the challenges that the WTO is not meeting today. On the latter, this administration continues to fail.

Mr. SHAW. Mr. Speaker, so that no one listening to this debate is confused,

this vote has nothing to do with DR-CAFTA, it has nothing to do with free trade, it is simply are we going to continue as part of the World Trade Organization.

Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. THOMAS), the Chairman of the Ways and Means Committee.

(Mr. THOMAS asked and was given permission to revise and extend his remarks.)

Mr. THOMAS. Mr. Speaker, I thank the gentleman from Florida (Mr. SHAW) on that clarification, because I find it kind of ironic, the fact that we are on a fundamental question, should the United States continue to belong to the World Trade Organization or not, complaining about degrees of differences in various pieces of trade legislation.

That is, in fact, how we got here in the first place. Prior to World War II, in fact, many historians argue the reason we got into the Great Depression as deeply as we did is because the United States chose to throw up significant tariffs and barriers to commercial interaction among nations.

Following World War II, there was an agreement that we should not do that again; and we created a rather imperfect agreement called the General Agreement on Tariffs and Trade. It was as good as we could get at the time. As we continued to operate under the General Agreement on Tariffs and Trade, with so-called rounds named after various cities, which has become a tradition now, the Uruguay Round, the Tokyo Round, the Rome Round, we decided that we need to move to another level, a higher level of integration and coordination; and that became the World Trade Organization.

The United States was somewhat frustrated, one, in our dispute resolution mechanism, and the problem was we were winning with no substantive result in those disputes. We thought we needed a better dispute resolution mechanism.

Marginally, the one we have today, I believe is better. Is it good? Not yet. As the gentleman from Michigan (Mr. LEVIN) indicated, I think there needs to be a much higher degree of transparency, especially on the resources used to research decisions. That will be an ongoing point of discussion.

But what is good primarily I think for the United States and the World Trade Organization restructure from the General Agreement on Tariffs and Trade is that agriculture became one of the points of discussion and importantly for the U.S. services and financial instruments and in the protection of intellectual property rights. Those were critical. These were, in essence, new additions; and we are continuing to try to expand those areas that countries sit down and discuss under a structure.

The decision today is, should that imperfect structure remain and we continue to work toward a better struc-

ture or should we simply withdraw? That really is not a difficult decision for most Members; and, overwhelmingly, we will agree to stay in the World Trade Organization when we vote on this particular measure.

But what you are hearing primarily are complaints and concerns that we have about the ongoing world trade relationship; and, heaven knows, I can wheel out all of my arguments as well. But, as correctly pointed out by the gentleman from Florida (Mr. SHAW), this is narrowly on the WTO issue.

But let me just select a couple of areas of trade action by the United States in the last several years.

First of all, under the Constitution, all trade-related activity with foreign countries is constitutionally the responsibility of Congress.

Now how many trade agreements do you think we would reach if we went to a country and said, come on in, negotiate with the House and the Senate, wait until we go through a conference committee in deciding what that agreement is going to be, and you ought to agree ahead of time before you see the final product?

Now, obviously, that led to a desire to restrain the responsibility but provide the administration the ability to do the negotiating nation to nation. We are currently under the trade promotion authority structure. Can you imagine the World Trade Organization where every country has a veto, you can only to things by unanimous agreement, and how rapidly you can advance concerns that you have when the primary criteria is unanimity?

So one of the reasons we continue to use bilateral country-to-country relationships and regional agreements, in part, so that we do not get bogged down by waiting for the WTO, but also to a certain extent, since we believe in transparency, since this country is the most open large country of trade, import, export, of any in the world, that open markets all over the world are good.

So when you examine a bilateral agreement, for example, like the United States and Singapore, Singapore obviously is not too worried about agricultural product protection. They are worried about intellectual property rights. They are worried about services.

We were able to enter into an agreement with Singapore, the United States and Singapore, to set a mark for other countries on what is the best way to deal with those particular concerns; and that is down now as an agreement which we can point to as a model that we should move forward on dealing with other countries.

A regional agreement would be the Central American Free Trade Agreement, and what is left out of the discussion with CAFTA are just a couple of points I would like to mention.

One, before we decided to deal with the region, we told those countries, initially the five Central American coun-

tries, they had to deal with each other. That El Salvador, Guatemala, Honduras, et cetera, all had to come together as a region, which, first of all, is fundamentally significant. They are not looking at themselves as individuals. The final question was an individual one, but they looked at themselves as a region. Once they did that, we then entered into trade negotiations with them.

You need to know something about those trade relations. They were not driven by the Central American countries' desire to get into the U.S. marketplace. Normally, we can say an opportunity to get into the U.S. marketplace is a pretty good club in which we can get them to agree to various things we want them to agree to. Obviously, it is voluntary on both sides, but the incentive of getting into the U.S. market is a terrific reason to push the agreement probably farther than they would want, because the reward is getting into the U.S. market.

Not the case in Central America. We gave away the U.S. market for security, humanitarian reasons. Their products come into the United States tariff free already. If there is no CAFTA, their products still come into the U.S. market virtually tariff free.

Basically, what we are trying to do is open up the Central American market to U.S. goods and services where they have high tariffs. And when you negotiate freely, one of the things you cannot do is dictate to other people what it is that they are going to do internally in their country. You can set standards, you can cajole, you can create a mutual growth structure, you can bring money to the table to assist them in moving forward. That is basically what the United States does with the rest of the world on bilateral and regional agreements.

□ 1130

And the CAFTA agreement is good for the United States in terms of the economics of getting into the Central American marketplace so that we have a little more of a level playing field with other countries around the world. But it also is a chance for these fledgling and growing democracies to have the input of knowledge, training, and financial assistance in growing their responsible labor structure as well.

Most of this is tinted with "protect America" as the argument. America does not really need protection. America needs the opening of markets around the world in voluntary structures whether they be bilateral, regional, or multinational, as the WTO is. There will always be resistance. China coming into the WTO was a good thing. Are we having difficulties with them? Yes. Will they continue to have difficulties with themselves as they advance as the world's largest nation? Yes. But those discussions occur under a framework which over time has gotten better and will get better, especially with the United States leadership.

For the United States to walk away unilaterally from what is the best historical example of nations dealing economically in a meaningful and useful way makes no sense whatsoever. And that is why overwhelmingly the vote today will be "no" on withdrawing from the WTO. Does that resolve any of the ongoing difficulties we have in terms of our perception of the world, how fair the world is, how open markets in the world are, what instruments we need to use to try to push a more transparent and open marketplace, between countries, among countries, and in fact in all trading nations of the world? Of course not.

All of those issues will continue to be before us, but they will be before us in a structure which allows us to measure, allows us to judge, and most importantly allows us to change as the key competitive component between nations of the world today and tomorrow will be the question of trade. And ordered and structured competition is to the advantage of the United States. And that is why overwhelmingly you will see support staying in the WTO, nurturing and growing the WTO, notwithstanding the fact that we have a whole lot of concerns about a whole lot of issues.

Mr. SANDERS. Mr. Speaker, how much time remains?

The SPEAKER pro tempore (Mr. FOSSELLA). The gentleman from Vermont (Mr. SANDERS) has 38 minutes remaining. The gentleman from Maryland (Mr. CARDIN) has 8 minutes remaining. The gentleman from Florida (Mr. SHAW) has 12½ minutes remaining.

Mr. SANDERS. Mr. Speaker, I yield 4 minutes to the gentleman from Ohio (Mr. KUCINICH).

Mr. KUCINICH. Mr. Speaker, I could hardly believe my ears to hear one of my colleagues say that America does not need protection from the WTO. We have lost almost 3 million manufacturing jobs. Tell that to those millions of families who have seen their lives destroyed by this trade structure which is based, inherently based, on inequality.

We have a \$617 billion trade deficit. America does not need protection?

We have workers who are struggling to save their homes; but these trade agreements are causing jobs to be moved out and people do not have the opportunity to save their homes.

I have been all over this country, and I have seen padlocks on gates and grass growing in parking lots where they used to make steel, where they used to make cars, where they used to washing machines, where they used to make bicycles. America does not need protection?

Yes, it is time for us to get out of the WTO because the WTO has set the stage for a driving down of the quality of life in this country. Everyone in this House knows that we cannot write into our laws that workers' rights must be regarded, let us say, in China. I want someone here to contradict that be-

cause if we put that China must have the right to organize in any of their conduct of commerce in their country, that would be ruled WTO illegal and the United States would be subject to a fine or sanctions by the WTO just for standing up for workers' rights.

There is a moral imperative here, and that imperative is as old as this country. But it is also consistent with basic Christian morality, and may I quote from a Papal Encyclical, Leo XIII, 1891 in *Rerum Novarum* said, "Let the working man and the employer make free agreement and in particular let them agree freely as to wages. Nevertheless, there underlies a dictate of natural justice more imperious and ancient than any bargain between man and man, namely, that wages ought not be insufficient to support a frugal and well-behaved wage earner if through necessity or fear of a worse evil the workman accept harder conditions because an employer or contractor will afford him no better. He is made a victim of force and injustice."

I maintain that the WTO helps to keep in place a structure of force and injustice against workers because we in this country cannot pass laws that would lift the yoke of this force and injustice off workers anywhere in the world because the WTO does not permit, does not permit any type of workers' rights to be included or to be regarded. They are WTO illegal. We cannot pass workers' rights and put them in our trade agreements.

Another Papal Encyclical from Pope Paul VI, *Populorum Progressio*: "But it is unfortunate that on these new conditions of society, a system has been constructed which considers profit as the key motive for economic progress, competition as the supreme law of economics, and private ownership with the means of production as an absolute right that has no limits and carries no corresponding social obligation." He goes on to say that "this leads to a dictatorship rightly denounced by Pius XI by producing the international imperialism of money."

There is a moral imperative here that we have to recognize that we need trade agreements that have workers' rights, human rights, and environmental quality principles; and we cannot have that with the WTO. It is time to get out of the WTO and set up a trade structure based on those principles.

Mr. CARDIN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, first let me say that I agree with my colleague that we should be negotiating higher labor standards, at least international labor standards; but I would suggest the way to do that is engagement, not to pull out of the WTO and to do better in our bilateral agreements. I agree with him on CAFTA and to elevate the WTO to do better on international standards.

The withdrawal would leave these countries without any opportunity to improve labor standards.

Mr. Speaker, I yield 2 minutes to the gentlewoman from Michigan (Ms. KILPATRICK).

Ms. KILPATRICK of Michigan. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, I strongly oppose the pull-out of the U.S. of the WTO. This is a global economy that we live in. We have got to be at the table to work with the companies and work with the countries that are taking our jobs, and I believe the pull-out is the wrong thing to do.

Should it be strengthened? Yes, it should and the administration should reject all principles that would make our trade laws weaker. If we talk about intellectual property rights, we need to enforce those that are in there. And the Bush administration and our U.S. administration, regardless of who sits in that White House, must make sure that those property rights are enforced internationally, and that is what the WTO should be about.

In 1995 when the WTO was established, I thought then and I do hope now that dispute resolution procedures would be those where we could come to the table to resolve some of those disputes. The dispute process has become too cumbersome, too lengthy; and many times we find our companies, U.S. companies, not taking advantage and being very much put out of business.

The steel industries in my district, too much dumping from some other countries into America. We ought to rectify that so that U.S. companies can take U.S. companies and that we be able to employ our citizens.

Too many dislocated workers, the only way to address this is to stay in the WTO to work with the other countries. And our administration must see that our rules, our trade laws, our employees' rights are saved. We want to upgrade and lift up other countries, but we must save America.

America is in crisis. Our workers, too many have lost their jobs and many more to come. I represent General Motors, and this week they announced the closing of more plants, dislocating more workers and at the same time put \$2 billion in China last year.

So I say stay in the WTO; make it better. This is a world economy, and the U.S. is the most powerful. I would hope that as we move forward in this discussion, and I know the vote will be overwhelming that we stay, that we build it and that we make sure that the countries that are taking our jobs have a responsibility to the workers of this country.

However Members intend to vote on the resolution before us, the issue of trade remedies under the rules established by the World Trade Organization (WTO) is of paramount concern to the industries of my district in the years ahead. How we address this issue will be an important factor in determining whether we can retain support for open markets and the international trading system as we know it.

Countries like China, Japan, and India that have most consistently dumped in this market

and violated international rules are pushed hard to have those disciplines eviscerated. That would be a disaster for U.S. manufacturers, agricultural producers and workers.

Anti-dumping and anti-subsidy laws have already been critically weakened as a result of groundless WTO dispute resolution decisions. If we see yet another new trade agreement that limits the use of these laws, I am afraid they will become completely ineffective.

Our trading partners, in the name of free trade, have been effective in putting forward a number of specific proposals that are designed to weaken U.S. trade laws. Congress is on record as opposing these efforts and I welcome this opportunity to advocate that our top priority should be to preserve core trade disciplines. However, our trade negotiators have not offered meaningful proposals to challenge those who would weaken our trade remedy laws. This is a recipe for failure.

If the Administration comes back with an agreement that waters down our trade remedy laws even further, I am confident we will see a strong backlash in Congress—and a major effect on support for any new trade agreements.

Support for the WTO cannot be taken for granted in Congress or in this country if we cannot maintain the assurance that unfair trade can and will be remedied. I urge the Administration to focus on this issue and to reject any WTO deal that would weaken U.S. trade remedy laws. Otherwise, we may well see the next WTO vote have a very different outcome than is likely today.

Mr. SANDERS. Mr. Speaker, I yield 3 minutes to the gentleman from Indiana (Mr. VISCOSKY).

Mr. VISCOSKY. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, in 1994 I supported the establishment of the WTO. I supported the establishment of it because the creation of the WTO was supposed to lower trade barriers. The WTO was supposed to include developed and developing countries, and environmental and labor standards were expected to rise for all.

The WTO was created with the assumption that the rules would be applied fairly to all. Today, I am voting against the WTO because it has failed to deliver on any of its promises. The WTO was created by sovereign nations to create a true international trade community, but today the WTO is manipulated by multinational corporations with a loyalty to nothing but their bottom line. These multilaterals are patronizing, not patriotic. They treat human labor as nothing more than disposable machinery. The only discernable labor standard under the WTO is exploitation.

Under the WTO there are two environmental standards, pollute and to spoil. Moreover, there is no transparency at the WTO. Who is in charge?

The WTO is grossly prejudiced against U.S. interests. As one of my colleagues mentioned earlier today, the U.S. has lost 42 of 48 cases.

I am proud to be an American citizen. I understand, however, that the United States is not always right. But only 12½ percent of the time?

Worse, the WTO struck down steel safeguards that were put in place after record levels of illegal steel dumping caused more than 40 steel companies into bankruptcy and more than 50,000 steel workers to lose their jobs.

In 1994, the last full year before the WTO came into existence, the United States had a trade deficit, unfortunately, of about \$150 billion. During 2004 the U.S. trade deficit hit an all-time high of \$650 billion, an increase of 333 percent. We have clearly benefited under the WTO.

A more frightening figure is that the U.S. trade deficit last year with China alone was more than our trade deficit was with the entire world the year before the WTO was created. As we debate this resolution today, we will borrow an additional \$1.7 billion in these 24 hours for our children to pay off for the rest of their lives just to finance the trade deficit we are accumulating today under the wanted WTO.

I appreciate my colleague from Vermont for bringing this resolution to the floor. I support it and ask my colleagues to do so as well.

Mr. SHAW. Mr. Speaker, I would remind the gentleman in the well that of the 50 cases we have brought before the World Trade Organization, we have won 46 which is a 92 percent success rate.

Mr. Speaker, I yield 3 minutes to the gentleman from Wisconsin (Mr. RYAN), a member of the Committee on Ways and Means.

□ 1145

Mr. RYAN of Wisconsin. Mr. Speaker, I appreciate the gentleman for yielding me time.

Mr. Speaker, this is a good debate. It is a good, healthy debate that we are having here on the floor of Congress.

The earlier speaker, the gentleman from Ohio, cited some papal encyclicals, but, as a practicing Catholic, I will be the first to defend his right to do that here on the floor, but I also think there are some bigger issues we need to talk about.

First of all, how do we keep jobs in America? We all care about that. This is what we are talking about. I would argue we have got to do basically two things: stop pushing jobs overseas and stop countries from unfairly taking jobs overseas.

How do we stop pushing jobs overseas? Well, for starters, we can address health care costs. We can address the fact that we tax our businesses and our jobs more than any other country in the world, save Japan. We can address tort costs, regulatory costs, have a comprehensive energy policy to make energy more affordable.

How do we stop countries from unfairly taking jobs overseas? We have to remember, Mr. Speaker, that 97 percent of the world's consumers are not in this country. They are outside of this country. One in five manufacturing jobs are tied to exports. Exports, on average, pay more than other

jobs. We cannot put our head in the sand. Pulling out of the WTO is the economic equivalent of throwing the baby out with the bath water.

What has happened since we have gone into the WTO? Let us look at the challenges that confront us.

We talk about China, a very appropriate topic to discuss here. Since China joined the WTO, do my colleagues know how many laws we had to change and pass in America to go there? Zero. Do my colleagues know how many laws China had to change, laws and regulations, to enter the WTO? 1,100. To get into the WTO, to join countries of fair trade, China had to change 1,100 laws. Are they following all these rules and agreements? Of course not. But because they are in the WTO, because we have the WTO, we finally have a forum, a mechanism, a system to bring these countries into compliance to play by the rules. If we did not have this system, all these countries could play by whatever rules they set.

We are the economic superpower of the world. We play by the rules. We are the most transparent, most honest, most basic system in the world. We need other countries to play by the same rules, too, so we can all join together in growing economic growth here in America and across the world. Pulling out of the WTO would be the economic equivalent of biting off our nose to spite our face.

Since we have had China in the WTO, I have been critical of the administration's stance in its first 3 years. I have joined with my colleagues on the other side of the aisle criticizing the administration on their China policy. However, over the past year and a half, the administration, through the WTO rules, has brought 12 different actions against China.

We are making success. We are bringing accountability. Pull out now, and the situation gets much worse. Stay in it. Fight for fair trade. We can clean up these rules, and that is the only way to bring other nations into the fair trade arena.

Mr. SANDERS. Mr. Speaker, I yield myself such time as I may consume.

My good friend mentioned what has happened since China has joined the WTO. I think he has neglected to mention that our trade deficit with China has soared, that millions of jobs have left the United States to go to China.

Mr. Speaker, I am very pleased to yield 4 minutes to the gentlewoman from California (Ms. WATERS).

Ms. WATERS. Mr. Speaker, I rise to support House Joint Resolution 27 to withdraw the United States from the World Trade Organization.

The WTO is not about free trade or fair trade. It is about corporate power. WTO rules allow America's labor, environmental and public interest laws to be challenged by multinational corporations seeking profits and power. Other countries have also seen their domestic laws challenged in order to

expand corporate power. The WTO sacrifices the rights of workers, the protection of the environment and the health and safety of working families.

WTO rules support corporations to move their operations from one country to another in search of the cheapest labor and the least government regulation. If a country enacts a minimum wage law, a corporation that does not want to pay a decent wage can simply move its factory to another country. If workers in that country organize a labor union, the corporation can move the factory to a third country. Many corporations prefer to operate in countries such as the People's Republic of China, which outlaw independent labor organizations. The WTO has no restrictions on sweatshops, child labor, prison labor or slave labor.

WTO rules promote investment opportunities for multinational corporations without regard to their impact on workers, the environment or the public interest. Countries' labor, health and environmental laws can be challenged if they have a side effect of restricting trade.

In the 10 years since the WTO was established, a wide variety of U.S. and foreign laws have been challenged. With only two exceptions, every health, food safety and environmental law challenged at the WTO has been ruled illegal. Meanwhile, multinational pharmaceutical companies have used WTO intellectual property rules to deny poor countries the right to provide life-saving medicine to people with terrible diseases like HIV and AIDS.

They tried it with Brazil. The world protest against the attempt to keep Brazil from using generic drugs to save lives, prevent HIV and AIDS was fought off because of the protest, and they had to back down.

But look what they did in South Africa. I wish I had time to tell my colleagues about it.

In 42 out of the 48 completed cases brought against the United States, the WTO has labeled U.S. laws illegal. U.S. laws ruled illegal by WTO include tax laws, anti-dumping laws, sea turtle protections and clean air rules. And when the WTO ruled in favor of the United States in a case on bananas, it was to benefit who? A large corporation, Chiquita, that has now driven Grenada and some of these small countries into poverty. We do not produce any bananas here in the United States. We protected Chiquita, who mistreats its workers in Central America, and we put small Caribbean farmers out of work.

Mr. Speaker, after the WTO rules a country's laws illegal, the WTO authorizes economic sanctions that cost the country millions of dollars. These sanctions put small businesses out of business and workers out of work. History has proven that the WTO does not prevent trade wars. It authorizes trade wars.

The WTO puts profits of the world's wealthiest and most powerful corpora-

tions ahead of the health, safety and welfare and well-being of working families.

I urge my colleagues to support the WTO Withdrawal Resolution. It's time to stop the global expansion of corporate power and put working families first.

Mr. LEVIN. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. MEEKS).

Mr. MEEKS of New York. Mr. Speaker, I rise today to urge my colleagues to reject any attempts to withdraw the United States from the WTO and vote no on final passage.

When instituted correctly and fairly, trade agreements open up foreign markets to U.S. goods, create new opportunities for companies and their employees, and lift the standard of living for people in the country with whom we are trading. Economists estimate that cutting trade barriers in agriculture, manufacturing and services by one-third would boost the world economy by \$613 billion, equivalent to adding an economy the size of Canada to the world economy. The WTO is needed to monitor this process and ensure a level playing field.

However, in certain cases, there is not a level playing field. A great example of this is Airbus. Airbus is currently the world's leading manufacturer of civil aircraft, with about 50 percent of global market share. Airbus received approximately \$30 billion in market-distorting subsidies from the European governments, including launch aid, infrastructure support, debt forgiveness, equity infusions, and research and development funding.

These subsidies, in particular launch aid, have lowered Airbus' development costs and shifted the risk of aircraft development to European governments, and thereby enabled Airbus to develop aircraft at an accelerated pace and sell these aircraft at prices and on terms that would otherwise be unsustainable. These unfair actions put Boeing at a major disadvantage and leads to a negative impact to workers and businesses in this country. By most conservative estimates, the unfair subsidies that Airbus receives have led the United States to losing at least 60,000 high-paying jobs.

As a member of the House Committee on International Relations and the fact that John F. Kennedy International Airport is the economic engine of my district, it is imperative that this body support USTR Ambassador Robert Portman's efforts to have a WTO dispute resolution panel put an end to the unfair subsidies to Airbus.

Mr. SANDERS. Mr. Speaker, can I inquire again as to how much time remains?

The SPEAKER pro tempore (Mr. FOSSELLA). The gentleman from Vermont (Mr. SANDERS) has 27 minutes remaining. The gentleman from Maryland (Mr. CARDIN) has 3½ minutes remaining. The gentleman from Florida (Mr. SHAW) has 9½ minutes remaining.

Mr. SANDERS. Mr. Speaker, I am pleased to yield 4 minutes to the gentleman from Utah (Mr. BISHOP).

Mr. BISHOP of Utah. Mr. Speaker, it is with a combination of perhaps resignation and frustration with which I stand here.

Will Rogers once said, in explaining the length of a political platform, that it takes a lot of words to straddle an issue, and I have every intention of using a lot of words here this morning.

I think, like many people, like most of us, we have no fear of free trade, that the United States, playing on a level playing field, can easily compete in the world market, and I do not ascribe to some of the statements that I think have been somewhat overzealous or vitriolic in describing policies here. I also agree that in some respects moving out of the policy we have right now without a substantial alternative would be chaotic. Having said that, this is where the "but" comes in.

I intend on either giving a symbolic vote or maybe a symbolic speech in place of that vote with concerns of sovereignty issues that are dealt with here and that some of those voices that are concerned about sovereignty issues are not just simply those fearful of the dark but there are legitimate concerns which require a periodic reanalysis of what we are doing.

I speak specifically about a case which has sent the Attorney General from the State of Utah to join 28 Attorney Generals from other States in protest of the situation in which the World Trade Organization has thrown State statutes in jeopardy.

Antigua, with which we had a policy dating back to 1993, has complained that laws prohibiting Internet gambling as well as gambling and betting paraphernalia, which have been for about 100 years the social policy of Utah, violate trade organizations; and the trade organization ruled in favor of Antigua.

It is inherently wrong for any adjudicative panel of any organization, internationally or trade, to put in jeopardy the kinds of State laws that we have in place, especially when they deal with social policies that have been there for almost 100 years. Whether this is simply a glitch in negotiations that can easily be worked out or whether this is a systemic problem or whether, as the Attorney Generals are arguing, that the States need a greater voice in the organization and the application of these trade policies, especially if it is going to relate to State law, that is the discussion that needs to take place.

My State may have lucked out because a clerical error in this particular case did not refer specifically to the Utah State law; and, therefore, it may not be applicable. But the fear factor is still there, that in the future State efforts, State regulations and State policies may be put in jeopardy not only by our trade policies but also by Federal regulations that affect those trade

policies when they ought not to be. That is the issue that needs to be periodically addressed.

I recognize that this particular resolution is very narrow in its application. It may not be specifically on that point, but it does at least give us the opportunity of saying not only is that an issue and a concern for the future but it is an issue that we should take seriously and we should discuss seriously so that these particular problems, especially as it deals with State issues and State rights, will not be put in jeopardy with the future.

□ 1200

Mr. SHAW. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania (Mr. MURPHY).

Mr. MURPHY. Mr. Speaker, although I disagree with much of what the WTO does, I do not think it is in the best interest of our Nation to withdraw from that organization at this time. Doing so would give the United States little bargaining power as we work to promote a global economy that is both free and fair. Withdrawal would put in jeopardy negotiations that are necessary to meet that goal.

However, my support for the long-term goal of more equitable international trade does not translate into blanket support, but it is difficult to ignore the fact that the U.S. is increasingly the target of WTO action. We are sued more than any other country, and our laws seem to be condemned by the WTO every month. We have been the defendant in 19 of the last 36 cases decided by the appellate body. These negative decisions have threatened American products and American businesses with sanctions. For example, in recent years the WTO has disapproved everything from our tax policies and trade laws to our sovereign right to regulate activity such as Internet gambling and set tariffs against unfair pricing by foreign countries.

It is becoming all too clear that these decisions are not the result of any shortcomings by this country or any true violation of international rules; rather, one must wonder if we are facing a forum that sees our country's prosperity and economic success as an opportunity to further bolster their own industries and markets. It seems as though nations are using the WTO to gain through litigation that they could not secure through negotiation.

But to help our economy, we cannot turn toward a simplistic, bellicose jingoism approach that blames the WTO and seeks protectionism as the answer to all. What we need to do on our own is to pass our energy policy that is otherwise costing us millions of jobs and to pass our own health care reforms to cut costs and not cut care.

Free trade is in everyone's best interest, and the WTO negotiations are vital to securing new markets for American products and creating new jobs for

American workers. The negotiations must ultimately bring us to a system that is fair for all member countries while respecting the fundamental rights of a nation to determine its own law.

This administration needs to pay very close attention to the issue as we cannot sit idly by while the world unfairly threatens U.S. laws and remedies designed to protect our Nation against unfair practices.

The WTO clearly is not operating always in the best interests of the United States of America. However, it is the forum that exists; and as such, we need to remain partners with those that are vigilant and vigorous defenders of both free and fair trade in that forum for the benefit of our Nation.

Mr. SANDERS. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio (Mr. BROWN) who has been leading this Congress in opposition to the disastrous CAFTA agreement.

Mr. BROWN of Ohio. Mr. Speaker, I very much appreciate the good work of my friend, the gentleman from Vermont (Mr. SANDERS).

Mr. Speaker, earlier this week the Committee on Appropriations passed an amendment to prevent the U.S. trade representative from using trade pacts as a tool to block prescription drug reimportation. The fact that appropriators in this body felt compelled to take this dramatic step points to a larger issue. Congress should not have to police the U.S. trade representative to make sure he or she is acting in the best interests of U.S. consumers. We should not have to instruct our trade representative to make sure that he is looking out for U.S. workers and U.S. manufacturers. We should not have to tell the trade representative to protect the environment and our food supply.

Congress should not have to scour every trade pact to make sure that some patent extension or importation barrier or other Big Government crutch designed specifically for the drug industry has not been inserted into the trade agreement by the U.S. trade representative or by the President or by my friends on the other side of the aisle.

Congress should not have to take the U.S. trade representative to task for trying to reverse the world's progress against the global AIDS epidemic, progress partially financed with U.S. tax dollars. Congress should not have to fight the U.S. trade representative in order to ensure jobs for our Nation's workforce, affordable medicine for our Nation's consumers, and manufacturing capacity for our Nation's protection.

Who does the U.S. trade representative work for?

The USTR should be acting in the interest of all Americans. If the international drug industry benefits too, all the better. Instead, the multinational drug industry's interests trump those every day of everyday Americans. The tail is wagging the dog. In fact, our

trade representative's office includes a position, and I am not making this up, our trade representative's office includes a position called U.S. Trade Representative for Asia, Pacific and Pharmaceutical Policies. So we are bringing the drug industry into the USTR to make sure these trade agreements protect the drug industry, usually at the expense of American consumers who pay twice as much, three times as much, four times as much for prescription drugs, and even more seriously, frankly, who harm the world's poorest people.

In the CAFTA agreement, as the gentleman from Michigan (Mr. LEVIN) said earlier, in Africa, in Asia, the world's poorest people have to pay more for prescription drugs because the U.S. has, in our trade representative's office, a U.S. trade representative for Asia, Pacific and pharmaceutical policy. It begs the question, What are our trade agreements for?

Mr. Speaker, it is not like they are working. Look what has happened to our trade deficit in the last 12 years. I came to Congress in 1992. We had a trade deficit of \$38 billion. In 2004, 12 years later, our trade deficit was \$618 billion. From \$38 billion to \$618 billion, and my friends are arguing our trade policy is working?

Look at our stagnating wages, the fact that the top 10 percent of people in this society are doing very well. Their incomes are going up and up and up. The 90 percent of the rest of the country, their wages are stagnant and partly because of trade policies. Look at our crippling job loss in my State, and especially in manufacturing.

Not only has our trade deficit gone from \$38 billion to \$618 billion in only a dozen years, look at what has happened in manufacturing. The States in red have all lost 20 percent of their manufacturing in the last 5 years. My State of Ohio, 216; Pennsylvania, 200; Michigan, 210; Alabama and Mississippi combined, 130; Illinois, 225; Virginia, 80,000; New York, 220,000. Our trade policy, Mr. Speaker, simply is not working.

When Members think about this, maybe in fact some people would say our trade agreements are working. After all, these trade agreements do work for the pharmaceutical industry.

Mr. SANDERS. Mr. Speaker, I yield 4 minutes to the gentleman from California (Mr. ROHRABACHER).

Mr. ROHRABACHER. Mr. Speaker, I rise in thoughtful support for H.J. Res. 27, and I say thoughtful because I believe we should take a good look at what we are doing and what has been proposed and try to figure out what is going to happen in the future, and what are the ideas that these decisions are based upon.

We are living in a time when a significant number of Americans are rushing forward to support any effort to transfer sovereignty from elected officials in the United States to unelected officials elsewhere at a global level who will exercise power and control,

mandate policies and shape our lives; yet they are not elected by the people of the United States of America, as if we should expect them in the WTO or even the United Nations to watch out for our interests.

Mr. Speaker, it is our job to watch out for the interests of the American people. We are elected to do so. Transferring our sovereignty and decision-making power to the WTO, to the United Nations, or any other international body is not in the long-term interests of our people.

The United States did this back in the 1950s or 1940s with the United Nations, and it too was a dream, a dream for a better world, a new order that would bring about prosperity and peace. What do we see now in the United Nations, corruption at the highest levels and arrogance. We see United Nations peacekeeping troops stand by as people are massacred. They themselves have participated in atrocities, and yet we see cover-up at the United Nations and corruption. Is that the type of people we want to give sovereignty to? No.

So why do we think the WTO is going to be any different? The WTO is made up of nondemocratic countries as well as democratic countries, just like the United Nations. We are not going to bring them up; they will bring us down if we give up our decision-making process to unelected bodies that have been set up.

They call it the new world order. The new world order, what is that going to bring the American people? A loss of sovereignty, a loss of our ability to control our own destinies. We will see the WTO manipulated by special interests in the same way we have seen other bodies manipulated by special interests, but the WTO will be made up of organizations that are comprised of governments that do not believe in democracy and honesty and free press and free speech and the standards we believe in.

Mr. Speaker, 10 years from now as the WTO evolves, and even today, we will find our huge international corporations and international corporations in general going to these bodies and manipulating them and bribing them. And why not accept the bribes? The people of Burma or China or these other countries who are not democratic, who are not honest, that is their way of life. So why are we transferring authority, putting our faith in an organization, even if today in the short run we can see some examples where it might be in our benefit? In the long run it is not to the benefit of the American people to give up this kind of decisionmaking.

If we want more trade in the world, we should establish bilateral trade agreements with other democratic countries. That way we can control the decision-making process. The major economic countries of the world will enter into those agreements.

I say we should have free trade between free people. We should not be es-

tablishing superpowerful, unelected bodies by the WTO to control our destiny in the United States and determine what economic policies we will have in the long run. These things make no sense to me, and it is a great threat looming over us. Whatever examples can be given today of some good things that are happening, just remember what will happen 10 years down the road once these panels and bodies have been corrupted by the vicious dictatorships that we have let into the WTO.

Mr. CARDIN. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. SHERMAN).

Mr. SHERMAN. Mr. Speaker, I will vote against this resolution because it is a little too radical for where I am now, but I am tempted to vote for it because of the failure of our current policies and the blindness of those who defend them.

Those who defend our current policies acknowledge that free trade puts pressure on countries to race to the bottom on environmental and labor standards so they can be the low-cost, high-value producer. But the real disconnect is between the theory of free trade and on-the-ground business reality.

Those who defend the WTO live in a world of theory in which business and consumers will buy American goods if they are good values, subject only to the written transparent regulations and tariff laws of their country. This theory is true in the United States where our businesses and consumers are happy to buy. We have lowered our tariffs, we have lowered our regulations and barriers, and there has been an explosion of imports to the United States.

But the theory is false as to China and many other nations. In those countries, their written laws are almost irrelevant, and so we negotiate hard, we open our markets in return for a change of China's written laws, and then we are surprised when changing those laws does nothing to open their markets and the average person in China buys less than 3 cents, I believe it is, of goods and services from America every day.

Why is this? Because their businesses are told orally, do not buy from America unless you get a co-production agreement, do not buy from America unless you get a disclosure of our technology and our manufacturing techniques. So when an airline in the United States goes to decide which airplane to buy, it does so on economic factors. When China buys, they demand that more and more production be shifted to China. No wonder we have this huge trade deficit and the dollar is certainly in peril.

□ 1215

Mr. SANDERS. Mr. Speaker, how much time remains for either side?

The SPEAKER pro tempore (Mr. FOSSELLA). The gentleman from

Vermont (Mr. SANDERS) has 15 minutes remaining, the gentleman from Maryland (Mr. CARDIN) has 1½ minutes remaining, and the gentleman from Florida (Mr. SHAW) has 7 minutes remaining.

The Chair will recognize the closing speeches in the reverse order of the openings: the gentleman from Maryland (Mr. CARDIN), the gentleman from Vermont (Mr. SANDERS), and the gentleman from Florida (Mr. SHAW) has the right to close.

Mr. CARDIN. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, I once again rise to urge my colleagues to reject this resolution. It is important that we work within a rules-based trading system in order to expand opportunities. Only by working within a rules-based trading system can we raise the international bar on labor standards, on environmental standards. If we were to pull out of the WTO, we would have no opportunity to raise at all the labor standards in other countries or the environmental standards. We need to be within a rules-based trading system to reduce barriers.

The U.S. market is the most open market. We want our trading partners to open up their markets. Staying within the WTO offers us that opportunity. We need effective enforcement of our agreements. We need to work within the WTO in order to accomplish those objectives. And, Mr. Speaker, here is an area where we must exercise more of our responsibility by changing laws and strengthening laws so that we can enforce the obligations that we have negotiated within the WTO. I will be introducing legislation to do that, and I urge my colleagues to work with me so that we can enforce the agreements that we have reached with other countries.

Mr. Speaker, I urge my colleagues to reject this resolution. Let us work together to open up markets.

Mr. Speaker, I yield back the balance of my time.

Mr. SANDERS. Mr. Speaker, I yield myself the balance of my time.

To begin with, at a time when there is so much animosity and partisanship in this body, I am very pleased that what we have brought forth together is a true tripartisan effort.

I want to thank the gentleman from Texas (Mr. PAUL), the gentleman from Oregon (Mr. DEFAZIO), the gentleman from Tennessee (Mr. DUNCAN), the gentleman from Arizona (Mr. GRIJALVA), the gentleman from Indiana (Mr. HOSTETTLER), the gentleman from North Carolina (Mr. JONES), the gentleman from Ohio (Mr. KUCINICH), the gentleman from Wisconsin (Mr. SENSENBRENNER), the gentleman from Michigan (Mr. STUPAK), and the gentleman from Colorado (Mr. TANCREDO) for cosponsoring this amendment and, as I think most people know, that covers a very, very broad spectrum of political thought.

Mr. Speaker, some have argued against this resolution by saying it

would be a disaster if it were passed, that we would be withdrawing from the international economy, but the reality is that what we are trying to do here is not to withdraw from international trade. Trade is a good thing. What we are saying is let us send a message to the President of the United States to wake up and to fully recognize that our current trade policies are an unmitigated failure and that we have got to renegotiate them. We cannot continue on the policy of the race to the bottom. That has got to change.

Some of my friends say what we are talking about is international rules, and of course we are talking about international rules. The problem is that the rules within this WTO are rigged against the middle class of America. If the United States Congress said, wait a second, we are going to pass a law because we think it is unfair that slave labor in China is producing a product that is exported to the United States, or that child labor around the world is competing against American workers, we will be ruled incorrect by the WTO. A complaint will be waged against us saying, gee, why are you protesting slave labor or child labor? You are violating international free trade.

Another issue that has not been touched on today, a moral issue, which is very important, when I was mayor of the City of Burlington in the 1980s, we passed, as did cities throughout the country, as did the United States Congress, legislation which said to the apartheid regime which had then imprisoned Nelson Mandela, we are going to impose trade restrictions against an apartheid regime. Mr. Speaker, if that occurred today, if the City of Burlington, Vermont, the State of Vermont, the United States Congress, said we want to bring down economically some type of fascistic government running the country, that country would go to the WTO and the WTO would say, gee, you are in violation of free trade agreements. It does not matter the morality of the issue. The only thing that matters is unfettered free trade.

Mr. Speaker, what my friends on the other side of this debate have really failed to discuss is the impact of the unfettered trade policies that we have been developing over the last 30 years. You have not heard them say really one word about that. Yes, they have talked about economic growth that is taking place in America, but they forgot to tell you who was benefiting from that economic growth. They have forgotten to tell you that for the average American worker his or her wages have gone down significantly in the last 30 years.

Yes, the wealthiest people in this country are making out like bandits. Yes, there has been a doubling in the gap between the rich and the poor. That is true. Yes, CEOs of large corporations make 400 times what their workers make. Is that the free trade agreement that we are fighting for?

The reality is, and they know it, Republicans know it, Democrats, conservatives, progressives, when going back to their district. In my State in the last couple of months, I had to talk to workers whose jobs are gone because those companies could not compete against imports coming in from China where workers are paid 30 cents an hour.

I would yield a moment to my friends on the other side if they want to tell the American people that they think it is fair that our working people should have to compete against desperate people working for pennies an hour who go to jail when they stand up for their rights. I would yield to the gentleman from Florida, the gentleman from Maryland, or anyone else who wants to tell me now that that is fair. I do not hear anybody saying that it is fair.

Mr. CARDIN. Mr. Speaker, will the gentleman yield?

Mr. SANDERS. I yield to the gentleman from Maryland.

Mr. CARDIN. Mr. Speaker, I believe that is unfair. I agree with my colleague completely. The question is, why are we not negotiating with our trading partners to do something about that?

Mr. SANDERS. Taking back my time, and I thank the gentleman. He says that it is unfair. But we have had this trade agreement, we have been in the WTO for 10 years. We have had a Democratic President. We have had a Republican President. If it is unfair, why is the President of the United States not going to the WTO tomorrow? Why did Bill Clinton not go? I do not want to be partisan here. Why did neither of them go? And they are not going to go.

The issue here is that these trade agreements have been forced on Congress, not forced, Congress willfully did it, because of the power of big money. It is no secret. Some of us who were here for NAFTA, some of us here for the China agreement, we know the millions and millions of dollars in campaign contributions and huge lobbying effort on the part of the large corporations. Because the truth of the matter is that while unfettered free trade is a disaster for the middle class and working families of this country, it really does benefit the heads of large corporations. They are, in fact, doing very well.

We see General Electric, General Motors moving to China. That is not a good thing for Americans.

Let me conclude simply by saying, Mr. Speaker, let us send the President of the United States a message. Let us say that our current trade policies are failing. Let us stand up for working families around the country. Let us pass this resolution.

Mr. Speaker, I yield back the balance of my time.

Mr. SHAW. Mr. Speaker, I yield myself the balance of my time.

There is quite a bit of ground that we have covered here this morning. One is

that somehow CAFTA has been brought into this debate by a couple of speakers.

I would like to submit for printing in the RECORD a letter dated June 8, 2005, which was just yesterday, from former President Jimmy Carter to Mr. BILL THOMAS, the chairman of the Ways and Means Committee, in support of CAFTA.

In this letter, he says, If the United States Congress were to turn its back on CAFTA, it would undercut these fragile democracies, compel them to retreat to protectionism, and make it harder for them to cooperate with the United States.

This is the type of bipartisan cooperation that we are about here today. It is important, I think, to realize that this resolution came before the Ways and Means Committee because we were required to take it up if it were to be filed under the law originally bringing us into the World Trade Organization. On both sides of the aisle, I believe I am correct on this, that the decision by the Ways and Means Committee to report this out unfavorably to the House, which we had to do procedurally, but to report it out unfavorably, I think, was unanimous on both sides of the aisle.

There is criticism as to what is happening, and some people would like to change some of the things within the framework of the World Trade Organization, but the Ways and Means Committee, I think, was very, very responsible.

Now the question of jobs and the economy has been raised, and China has been brought into this debate. China has got some problems with their currency and some things we need to do and their enforcement of their own laws. I will yield that ground to those that bring that criticism to us. But I think it is important to realize where those jobs are coming from or where those exports, who are the winners and losers with regard to the Chinese exports.

The Chinese exports are draining off the exports from Japan, Korea and other Pacific Asian countries. That is where those jobs are coming from. If you talk about and look at exactly the exports into the United States from that region of the world, you will see that it is fairly flat, not for China, but China is increasing its exports at the expense of these other countries.

The question has been brought into this debate as to the sovereignty of the United States. It is very clear to anyone, any of the lawmakers in this Congress, that Congress and the President make United States laws. The World Trade Organization cannot change laws either today or in the future. The World Trade Organization has no enforcement authority. It cannot impose fines, levies, sanctions, modify tariff rates or change the laws of any country. The only sanction for a violation of the World Trade Organization is that affected World Trade Organization

member, and that member country may in some cases impose retaliatory measures on trade of the country that violates the rules. But that is not enforcement by the World Trade Organization. The World Trade Organization agreement permits the United States to regulate and even stop trade to protect United States national security, public health and safety, natural resources and human rights. So we are not giving up any of our sovereignty by remaining in the World Trade Organization.

On the question of jobs and the exporting of American jobs, exports account for about 25 percent of the United States economic growth over the course of the past decade. Exports support an estimated 12 million jobs, and those workers' wages are estimated to pay 13 to 18 percent more on the average than nonexport jobs. United States exports directly support one in every five manufacturing jobs. Workers in most trade-engaged industries where combined exports and imports amount to at least 40 percent of their domestic industrial output earn an annual compensation package that is one-third more than the average compensation in the least trade-engaged sectors. A recent University of Michigan study shows that lowering remaining global trade barriers by just one-third would boost annual average family income by an additional \$2,500.

So if you are interested in jobs, vote against this resolution. If you are interested in the economy and the growth of our economy of this United States, vote against this resolution. If you want chaos in world trade, vote for it, because that would exactly be what we would have. We would have total chaos. It would be the wild, wild west. I think that the only responsible vote here today for the American worker and the American economy is to vote no on this resolution.

JUNE 8, 2005.

Hon. BILL THOMAS,  
*Rayburn House Office Building,  
Washington, DC.*

TO REPRESENTATIVE BILL THOMAS: as you prepare for your initial consideration of the Central American Free Trade Agreement (CAFTA) with the nations of Central America and the Dominican Republic, I want to express my strong support for this progressive move. From a trade perspective, this will help both the United States and Central America.

Some 80 percent of Central America's exports to the U.S. are already duty free, so they will be opening their markets to U.S. exports more than we will for their remaining products. Independent studies indicate that U.S. incomes will rise by over \$15 billion and those in Central America by some \$5 billion. New jobs will be created in Central America, and labor standards are likely to improve as a result of CAFTA.

Some improvements could be made in the trade bill, particularly on the labor protection side, but, more importantly our own national security and hemispheric influence will be enhanced with improved stability, democracy, and development in our poor, fragile neighbors in Central America and the Caribbean. During my presidency and now at

The Carter Center, I have been dedicated to the promotion of democracy and stability in the region. From the negotiation of the Panama Canal Treaties and the championing of human rights at the time when the region suffered under military dictatorships to the monitoring of a number of free elections in the region, Central America has been a major focus of my attention.

There now are democratically elected governments in each of the countries covered by CAFTA. In negotiating this agreement, the president of each of the six nations had to content with their own companies that fear competition with U.S. firms. They have put their credibility on the line, not only with this trade agreement but more broadly by promoting market reforms that have been urged for decades by U.S. presidents of both parties. If the U.S. Congress were to turn its back on CAFTA, it would undercut these fragile democracies, compel them to retreat to protectionism, and make it harder for them to cooperate with the U.S.

For the first time ever, we have a chance to reinforce democracies in the region. This is the moment to move forward and to help those leaders that want to modernize and humanize their countries. Moreover, strong economies in the region are the best antidote to illegal immigration from the region.

I appreciate your consideration of my views and hope they will be helpful in your important deliberations.

Sincerely,

JIMMY CARTER.

Mr. HOLT. Mr. Speaker, I rise today to express my concerns about H. Res. 27. H. Res. 27 would withdrawal the United States from participation in the World Trade Organization. I did not support a similar resolution five years ago, and I do not support this resolution today,

International trade is not just inevitable, it is a good thing. We live in a world today where more people can afford ever cheaper goods. But lowering the cost of goods and increasing their availability is not the single goal of trade. Trade done right helps lift the global standard of living and works to protect the irreplaceable environment we inherited. Trade is about values. I want to make sure the United States not only exports our-world class agriculture, but also our respect for the natural environment and enforceable labor laws. We should make sure we export the goods we produce and not the workers who produce them.

That is why we must use the WTO to address these labor and environmental concerns. But if we walk away from the WTO, we won't be able to address any of these issues. Where else can we give voice to issues of child labor or environmentally destructive practices of some industries? The WTO—imperfect as it may be—is the forum that we, along with the other members of the international community, established to enforce trade rules and more importantly allow for an open dialogue on the trade issues that concern us.

We need to realize that even if there are legitimate problems with the WTO, and I agree that some exist, the solution is not to unilaterally withdraw from the WTO. Withdrawing from the WTO would not help to solve any of these problems. Not one. We cannot stop trade, and we cannot end the global economy. What we can do is work within the World Trade Organization to address these concerns. We should not allow any others to dictate to us about what is in our national interest, but we must recognize that we cannot accomplish our national goals in isolation from the rest of the world. We can only work to protect American

workers from anticompetitive practices of foreign countries from within the WTO, not by sitting on the sidelines. We should be working with our trade partners and with the WTO to enforce our existing trade rules. I urge my colleagues to vote against this resolution.

Mr. BACA. Mr. Speaker, I rise in opposition to H.J. Res. 27, which withdraws approval of the United States from the agreement establishing the World Trade Organization.

The WTO was created to oversee and regulate international commerce through the establishment of universal trade agreements. The institution of these agreements would provide assurance and accountability between member nations, with the prospect of future economic prosperity. The goal of these trade practices is to ease facilitation of global business for producers, exporters, and importers.

My opposition to this resolution and consequent support of the WTO is not without qualification.

While there is great value in continuing multilateral trade regulations and maintaining the general integrity of the WTO, this organization has consistently founded in its role of impartial adjudicator and continues to undermine the domestic trade sovereignty of our Nation.

Over the past decade, we have witnessed a massive increase in the U.S. trade deficit, an alarming number of dislocated American workers, and consistent threats to the autonomy of U.S. domestic trade policy.

The international community has seen the numerous shortcomings of the WTO system, including poorly enforced labor laws that afford many countries an unfortunate competitive advantage in the global marketplace. The premise of independent unionization and equitable development has not been realized in the past 10 years under the WTO and continues to underscore the need for a reevaluation and modification of the institution.

Though the World Trade Organization has failed to deliver on the promises of economic gains to developing countries and general worldwide trade policy, the solution is not to withdraw U.S. support or approval. We must continue to work inside the infrastructure of the WTO and towards progressive policies. As a principal partner in the WTO, we must not disassociate ourselves from the organization or we will realize the regression of our global economy. Our obligations to the American worker necessitate a competent and responsible trade policy that can only be achieved through the refinement of the current system.

Mr. Speaker, I oppose this resolution but reserve judgment over the current policies and procedures of the World Trade Organization. It is in the best interests of our nation to continue our active involvement in the WTO, while reconsidering and reworking current international trade policies.

Mr. COSTELLO. Mr. Speaker, I rise today in support of H.J. Res. 27, which would withdraw the United States from further participation in the World Trade Organization (WTO). I do so not because I am against international institutions, or even the stated purpose of the WTO. I am voting yes today to voice my opposition to U.S. trade policies that continue to augment the "race to the bottom" international trade culture that has sent good-paying American jobs overseas in pursuit of ever-lower wages and lax labor and environmental standards. Instead of pursuing policies that lift up and improve the lives of workers in this country and

around the world, we have crippled U.S. communities while enabling the exploitation of foreign workforces.

I believe Congress must send a strong signal to the current administration that the past ten years have demonstrated the serious failures of U.S. trade policy. In light of our massive trade deficit, loss of manufacturing jobs and the ongoing currency manipulation by foreign countries, my vote today supports the hard working families in America. To have fair, sustainable, and balanced international trade, we need a fundamental review of U.S. international trade policies, and Congress and the Bush administration should take this opportunity to lead this effort.

There are serious national security considerations inherent in our trade policy, and I believe we ignore these ramifications at our own risk. Our social fabric is also endangered—as jobs leave the country, as people that have worked hard their entire lives lose their pensions and healthcare, what are these families to do? What made the U.S. the greatest country in the world is the ability of high school educated Americans to make a good living in the manufacturing and industrial sectors. These jobs increasingly have moved overseas, and it is hard to support a family on service sector wages. Meanwhile, I have tried twice in the last year to pass an amendment to simply study the issue of the outsourcing of American jobs, and have twice been defeated on close votes.

Mr. Speaker, voting yes today will not solve these problems, but it will signal that we will reevaluate the trade policy of this nation. I urge my colleagues to undertake this work and vote yes on H.J. Res. 27.

Ms. LORETTA SANCHEZ of California. Mr. Speaker, I rise in opposition to H.J. Res. 27, a resolution withdrawing the U.S. approval of the WTO.

While there are legitimate disagreements about how world trade is organized, and how trade agreements are negotiated, I think that it is important to have a forum and structure for international trade. And that's the World Trade Organization.

Let's not overlook the fact that in the 10 years since the WTO's inception, we've seen global tariff rates fall and U.S. exports rise.

Moreover, ninety-seven percent of our international trade is with other WTO nations. Withdrawing from the WTO would upset relations with these important partners and markets.

That being said, the WTO is by no means a perfect institution. It is important that we are having this debate today.

In the ongoing Doha round of trade negotiations, the U.S. and our global partners have the opportunity to substantially improve the WTO by reaching agreements on service negotiations, the reduction of tariffs and non-tariff barriers, and the authority of the WTO dispute resolution system. We need to see these negotiations through to a satisfactory end.

Nevertheless, despite its imperfections, the WTO provides a stable and predictable global trading system that benefits the U.S. both economically and strategically.

And although I will be watching the Doha Round with keen interest, I support U.S. participation in the WTO and therefore oppose this resolution.

Mr. PETERSON of Minnesota. Mr. Speaker, there are many reasons to question whether

or not the United States should remain in the WTO. Among them: the current trade deficit of \$618 billion; the disappointing enforcement efforts of the Administration on past trade agreements; and the lack of consensus in the WTO on how to move forward with the Doha Round. But at this point, it is too early to give up hope. The WTO is essentially our only chance to address the major distortions in world agricultural markets.

The Organization for Economic Cooperation and Development is a group of 30 countries including the United States, most European countries, Japan, Mexico, Australia, and New Zealand. It is widely regarded as the most reliable source of objective information comparing subsidy levels of various developed countries.

Perhaps the most useful number the OECD calculates is one that compares the amount of each dollar that a farmer receives due to government policies, such as tariffs or farm support programs, versus the amount the farmer receives from the marketplace. They call this number the Producer Support Estimate.

In its 2004 report on Agriculture, the OECD notes that the Producer Support Estimate for the United States decreased in recent years, and that this is a part of a long term trend in U.S. agricultural policy. As the OECD points out, support in the U.S. to producers decreased from 25% in 1986–88 to 18% in 2003, and has remained below the OECD average. Europe has increased support to 37% in 2003.

What this means is that European farmers rely on the government for twice as much of their income as do U.S. farmers—or 37 cents from each dollar versus 18 cents for U.S. farmers.

What relevance do all these statistics have to the current WTO negotiations on agriculture? The framework agreement provides for harmonization in all three major areas of negotiation. On domestic subsidies, the framework states: "Specifically, higher levels of permitted trade-distorting domestic support will be subject to deeper cuts."

In the section of the WTO framework agreement on export competition, it is agreed that export subsidies will be eliminated. The EU remains the largest user of export subsidies in the world, and the elimination of export subsidies will eventually apply additional pressure to its domestic subsidy programs.

In the section of the WTO framework agreement dealing with market access, there is language calling for a tiered formula with "deeper cuts in higher tariffs". Average U.S. tariffs on agricultural products is 12% versus 30% in Europe and 50% in Japan. The world average tariff on agricultural products is 62%. This means that the U.S. tariffs on agricultural imports should be cut less than European, Japanese, or other countries tariffs on our exports to them.

As with all negotiations, the framework agreement reached last July on agriculture allows for a best-case and worst-case scenario to exist, which future negotiations will determine. In these negotiations, we will depend on our U.S. Trade Representative to achieve a result that upholds the principle of harmonization that was set out in the original U.S. negotiating position in June of 2000. If that principle is upheld in the final agreement, we will be glad we rejected this resolution today. If not, it will be time to give serious consideration to leaving the WTO.

Mr. KING of Iowa. Mr. Speaker, I rise today to comment on H.J. Res. 27, which seeks to

withdraw the approval of the United States from the Agreement establishing the World Trade Organization.

During my first term in Congress, I witnessed firsthand the breakdown in affairs at the World Trade Organization's trade negotiations in Mexico. Negotiations collapsed as delegates from many underdeveloped countries celebrated their perceived success as an increasingly powerful band of poor farming countries, known as G-21, held strong to prevent talks from proceeding.

It is important that each participating country have a voice in negotiations, but by banding together to divert trade talks, underdeveloped countries ultimately hurt themselves. No one in Europe or the United States will starve to death because of their efforts, but the citizens in their own countries will be put at risk.

What occurred puts the viability of the WTO in question, but it also allows the U.S. to go forth with trade promotion authorization on its own. While I believe the WTO needs reform, I do not want us to abandon our place at the table. If America were to pull out of the WTO, we would lose the ability to influence the organization and its negotiations internally.

Our farmers and producers in Iowa and across the country are some of the most efficient in the world and are capable of competing and winning in world markets, so long as they do not face unfair foreign government policies. The enforcement of a rules-based trading system through the World Trade Organization is our best opportunity to gain access to these markets for our Nation's farmers and rural communities.

Mr. Speaker, I intend to vote against H.J. Res. 27 because it is clear that our economic interests continue to benefit from engagement with trading partners.

Mr. ENGLISH. Mr. Speaker, today the House will undoubtedly vote down this resolution and signal strong support for remaining in the World Trade Organization. This is the right decision to make.

It is the right decision to make because the WTO, and its predecessor, the GATT, have served as a catalyst to reduce both tariff and non-tariff barriers for U.S. exports. Since the formation of the GATT, average tariffs in industrialized countries have gone down from 40 to less than 4 percent; since the creation of the WTO in 1994, U.S. exports have increased by \$300 billion. Of course, the WTO has also served as a useful forum to breakdown barriers to U.S. agricultural exports where bilateral negotiations could not.

While I will vote against this resolution today, it is not without any reservation. Mr. Speaker, I believe the resolution on the floor today provides the ideal time to pause and reflect on the shortcomings of the current WTO system and on ways both the Congress and the Administration can make changes to the WTO structure so that it works better and rebuilds confidence in the system among our constituencies.

I find the lack of any serious effort to reform the current WTO culture and structure to fix the flaws with the unsatisfactory. There are a host of problems with the WTO, and the number of problems is only growing.

The WTO completely lacks any degree of transparency; hearings are closed to the public and public transcripts are not released. Where, in a very limited manner, WTO rules permit limited transparency by allowing the assistance and resources of private parties who

are supportive of the U.S. government position, the Administration has chosen not to utilize this allowance.

Transparency is not the only problem contributing to the WTO's failure to move rules-based trade forward globally, but it is the central factor allowing the WTO and its bureaucrats to escape the scrutiny which would quickly eradicate other abuses in Geneva. Through the lack of transparency, the WTO dispute settlement and Appellate bodies are emboldened to disregard the proper standard of review in disputes involving trade laws, for example. In this way, past WTO panels have issued rogue decisions against the U.S. with no basis or standing in the context of previously negotiated Agreements. This rampant judicial activism is rapidly undermining the support for the WTO.

As the WTO is particularly prone to Yankee-bashing, support for the current, broken system is perhaps fading fastest here at home. A slew of activist decisions against the U.S., attacking our trade remedy laws and another decision amounting to micromanagement of U.S. tax policy have come at a steady pace.

These decisions have been particularly frustrating to many Members of Congress because of limited opportunity for oversight by Congress of the WTO or its decisions which affect our domestic laws and domestic employers. I, along with several of my Ways and Means colleagues, last Congress introduced the Trade Law Reform Act. This legislation included a provision to establish a WTO Dispute Settlement Review Commission. This Commission, composed of retired federal judges, would report to Congress after reviewing WTO decisions adverse to the U.S. in order to determine whether the relevant decision makers failed to follow the applicable standard of review or otherwise abused their mandate.

Today, we have spent two hours debating whether Congress should withdraw from the WTO. Yet, absent a new entity to administer and advance rules-based trade, there is no question that we must remain committed to, and engaged in, the WTO. I would submit that instead of debating whether to withdraw from the WTO, Congress should have an active debate on ways we can make the current system work properly, as it was designed to do, and ways to make it better.

The U.S. must move swiftly to put an end to judicial activism in the WTO and reorganize the structure and culture of both the Appellate Body and the dispute settlement body. Additionally, the USTR should deputize private parties with a direct and substantial interest in a case to appear and participate in WTO proceedings and devote greater resources to litigation in WTO disputes. Mr. Speaker, Congress must also establish new mechanisms to increase oversight of the WTO.

Mrs. JONES of Ohio. Mr. Speaker, I concur with my Ways and Means Democratic colleagues regarding the United States continued participation in the World Trade Organization (WTO). I do not agree with House Joint Resolution 27 and withdrawing Congressional approval of the WTO agreement.

Our society is becoming global. There is growing interdependence of countries, resulting from the increasing integration of trade, finance, people, and ideas in one global marketplace. So, as international trade expands due to globalization, we need a set of trade rules and an international body to enforce those rules—the WTO.

The WTO, and its predecessor, the General Agreement on Tariffs and Trade, have opened foreign markets around the world for U.S. goods and services. This has created new opportunities for U.S. businesses, farmers, manufacturers, and workers. The U.S. economy is stronger because of the WTO.

There are improvements, however, that can be made. There has to be better collaboration in understanding the relationship between trade and labor issues. We must ensure that core labor standards are enforced, particularly in developing economies. We must have more meaningful dialogue about environmental issues in trade discussions. We can accomplish this by fully integrating the work of the WTO Committee on Trade and Environment into the work of WTO negotiating groups.

Furthermore, the WTO needs to be fully aware of the vulnerability of our domestic steel industry. Ohio is the nation's leading producer of steel. China's strategy of undervaluing their currency, the yuan, and dumping steel into our domestic market puts Ohioans in danger of losing their jobs. Ohio manufacturers produced \$4.59 billion in value-added steel production and processing last year. The steel industry generates over 110,000 jobs in the State of Ohio. We cannot compromise the strength of our domestic steel industry. The WTO must be cognizant of the trade challenges faced by U.S. steel manufacturers.

I believe that the United States should continue to be a member of the WTO and remain committed to free trade. However, we must ensure that our domestic concerns are properly addressed within the WTO.

Mr. ETHERIDGE. Mr. Speaker, I rise today in opposition to House Joint Resolution 27. Withdrawing from the World Trade Organization (WTO) would be an abandonment of America's leadership in trade and an economic disaster for our nation.

For decades, the United States has been the leading voice in the world for the free market system and economic cooperation among nations because capitalism works for America. We were one of the founders of the General Agreement on Tariffs and Trade as well as its successor, the WTO. America has consistently pushed for a rational, rules-based approach in dealing with international trade because we know our unique, competitive, vibrant, and innovative economy will allow most U.S. economic sectors to compete successfully against any nation provided we have a fair playing field and open access to foreign markets.

If we abandon the WTO, we abandon those years of leadership in trade. Do we want the Europeans or the Japanese to be the economic model other nations look to emulate? Do we really want them to decide the rules by which the rest of the world economy will run? If we shut ourselves out of the process, we put our farmers, manufacturers, businesses, and workers at a strategic disadvantage compared to others in the world.

North Carolina's economy depends on exports, and we need to break down barriers to overseas markets so that our technology, agriculture, manufacturing and other sectors can expand on our progress in international competition. Studies show that one in five manufacturing jobs in North Carolina depend on exports. These jobs on average pay 13–18 percent more than the U.S. average. Every \$1 billion in exports creates 20,000 jobs in the United States.

The United States represents only 4.7 percent of the world population. If we want our economy to continue to grow, we need to be able to sell to the other 95.3 percent of the world. The WTO, for all its flaws and faults, remains the best venue for leveling the playing field and gaining access to new markets. That is why I urge my colleagues to vote down this resolution.

Mr. UDALL of Colorado. Mr. Speaker, I would like to clarify my opposition to H.J. Res. 27, a resolution to withdraw U.S. approval of the Uruguay Round Agreement Act establishing the World Trade Organization (WTO).

Although I oppose the resolution, I am glad we are having this debate today. The 1994 law that helped create the WTO included an important provision that allows Congress to reassess U.S. participation in the organization every five years. The constantly shifting global trade landscape makes regular Congressional review of U.S. participation in the WTO especially critical.

Like many of my constituents, I am concerned about investment and jobs moving to other countries that have weaker labor and environmental standards. I am also concerned about the growing U.S. trade deficit, WTO pressure to downgrade our consumer protections, and challenges to our federal laws posed by the WTO's closed dispute resolution tribunals.

But retaining U.S. participation in the WTO doesn't mean we can't or shouldn't work to improve global trading system. The objective should be to mend it, not end it. The WTO is the only international organization dealing with the global rules of trade between nations. Over 90 percent of all world trade is conducted within the WTO.

Withdrawal from the WTO would isolate the U.S. from the international economy. It would also eliminate the best recourse American businesses and workers have when faced with unfair trade barriers: dispute resolution. If we were to withdraw from the WTO, other countries could impose unfair tariffs or other barriers to American goods, or "dump" goods, and we could only retaliate in return and risk getting into a potentially dangerous trade war.

If we want to grow and expand our economic opportunities, we must engage with the rest of the world. I believe that abandoning a rules-based trade system would be detrimental to American families, workers, business, and national security. We need to do all we can to ensure Americans benefit from the global economy. But shutting our doors on the WTO isn't the answer.

Mr. SHAW. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. Pursuant to House Resolution 304, the joint resolution is considered read for amendment and the previous question is ordered.

The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, and was read the third time.

□ 1230

The SPEAKER pro tempore (Mr. FOSSELLA). The question is on the passage of the joint resolution.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. SANDERS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 86, nays 338, answered “present” 1, not voting 8, as follows:

[Roll No. 239]

YEAS—86

Abercrombie	Goode	Owens	Kirk	Myrick	Shadegg
Aderholt	Green, Gene	Pallone	Kline	Nadler	Shaw
Baldwin	Grijalva	Pascarella	Knollenberg	Napolitano	Shays
Barrett (SC)	Hinchey	Pastor	Kolbe	Neal (MA)	Sherman
Barrow	Hostettler	Paul	Kuhl (NY)	Neugebauer	Sherwood
Bartlett (MD)	Hunter	Payne	Langevin	Northup	Shimkus
Bilirakis	Istoek	Pombo	Lantos	Nunes	Shuster
Bishop (UT)	Jackson (IL)	Rahall	Larsen (WA)	Nussle	Simmons
Brown (OH)	Jenkins	Rohrabacher	Latham	Larson (CT)	Oliver
Cardoza	Jones (NC)	Ryan (OH)	Leach	Osborne	Simpson
Coble	Jones (OH)	Sabo	Levin	Oxley	Skelton
Costa	Kaptur	Sánchez, Linda	Lewis (CA)	Pearce	Slaughter
Costello	Kennedy (RI)	T.	Lewis (GA)	Pelosi	Smith (NJ)
Davis (IL)	Kildee	Sanders	Lewis (KY)	Pence	Smith (TX)
Davis (TN)	Kucinich	Schakowsky	Linder	Peterson (MN)	Smith (WA)
Deal (GA)	LaTourette	Sensenbrenner	LoBiondo	Peterson (PA)	Snyder
DeFazio	Lee	Strickland	Lofgren, Zoe	Petri	Sodrel
Doyle	Lynch	Stupak	Lowey	Pickerling	Solis
Duncan	Marshall	Sullivan	Lucas	Pitts	Souder
Evans	McCotter	Tancredo	Lungren, Daniel	Platts	Spratt
Everett	McIntyre	Taylor (MS)	E.	Poe	Stearns
Feeney	McKinney	Taylor (NC)	Mack	Pomeroy	Sweeney
Foxx	Miller (FL)	Tierney	Maloney	Porter	Tanner
Frank (MA)	Mollohan	Visclosky	Manzullo	Price (GA)	Tauscher
Franks (AZ)	Ney	Wamp	McCarthy	Putnam	Terry
Garrett (NJ)	Norwood	Waters	McCauley (TX)	Radanovich	Thomas
Gibbons	Oberstar	Weldon (FL)	Ramstad	Ramstad	Thompson (CA)
Gingrey	Obey	Westmoreland	McCarthy	Thornberry	Thompson (MS)
Gohmert	Otter	Whitfield	McCaull (TX)	Rangel	Tiahrt

NAYS—338

Ackerman	Case	Fossella	Kirk	Myrick	Shadegg
Akin	Castle	Frelinghuysen	Kline	Nadler	Shaw
Alexander	Chabot	Gallagly	Knollenberg	Napolitano	Shays
Allen	Chandler	Gerlach	Kolbe	Neal (MA)	Sherman
Andrews	Chocola	Gilchrest	Kuhl (NY)	Neugebauer	Sherwood
Baca	Clay	Gillmor	Langevin	Northup	Shimkus
Bachus	Cleaver	Gonzalez	Lantos	Nunes	Shuster
Baird	Clyburn	Goodlatte	Larsen (WA)	Nussle	Simmons
Baker	Cole (OK)	Gordon	Latham	Larson (CT)	Oliver
Barton (TX)	Conaway	Granger	Leach	Osborne	Simpson
Bass	Conyers	Graves	Levin	Oxley	Skelton
Bean	Cooper	Green (WI)	Lewis (CA)	Pearce	Slaughter
Beauprez	Cramer	Green, Al	Lewis (GA)	Pelosi	Smith (NJ)
Becerra	Crenshaw	Gutierrez	Lewis (KY)	Pence	Smith (TX)
Berkley	Crowley	Gutknecht	Linder	Peterson (MN)	Smith (WA)
Berman	Cubin	Hall	LoBiondo	Peterson (PA)	Snyder
Berry	Cuellar	Harman	Lofgren, Zoe	Petri	Sodrel
Biggert	Culberson	Harris	Petri	Pickerling	Solis
Bishop (GA)	Cummings	Hart	Pitts	Pooley	Souder
Bishop (NY)	Cunningham	Hastings (WA)	Platts	Price (GA)	Spratt
Blackburn	Davis (AL)	Hayes	Poe	Price (NC)	Stark
Blumenauer	Davis (CA)	Hayworth	Reichert	Pryce (OH)	Stearns
Blunt	Davis (FL)	Hefley	McDermott	Putnam	Sweeney
Boehlert	Davis (KY)	Hensarling	McGovern	Radanovich	Tanner
Boehner	Davis, Tom	Miller (MI)	Matsui	Ramstad	Tauscher
Bonilla	DeGette	Miller (NC)	McCarthy	Thornberry	Terry
Bonner	Delahunt	Miller, Gary	McCauley (TX)	Thompson (CA)	Thomas
Bono	DeLauro	Miller, George	Rangell	Thompson (MS)	
Boozman	DeLay	Moore (KS)	Rothman	Tiahrt	
Boren	Dent	Moore (WI)	Royal-Ballard	Towns	
Boswell	Diaz-Balart, L.	Moore (WV)	Mica	Rehberg	
Boucher	Diaz-Balart, M.	Moran (KS)	Michaud	Reichert	
Boustany	Dicks	Moran (VA)	Millender	Udall (CO)	
Boyd	Dingell	Murtha	McDonald	Udall (NM)	
Bradley (NH)	Doggett	Murtha	Miller (MI)	Ryan (WI)	
Brady (PA)	Doolittle	Murtha	Miller (PA)	Ryun (KS)	
Brady (TX)	Drake	Nease	Miller, Gary	Weller	
Brown (SC)	Dreier	Nease	Miller, Gary	Wexler	
Brown, Corrine	Edwards	Nease	Miller, Gary	Velázquez	
Brown-Waite,	Ehlers	Nease	Miller, Gary	Welden (PA)	
Ginny	Emanuel	Nease	Miller, Gary	Welden (PA)	
Burgess	Emerson	Nease	Miller, Gary	Wexler	
Burton (IN)	Engel	Nease	Miller, Gary	Wexler	
Butterfield	English (PA)	Nease	Miller, Gary	Wexler	
Buyer	Eshoo	Nease	Miller, Gary	Wexler	
Calvert	Etheridge	Nease	Miller, Gary	Wexler	
Camp	Farr	Nease	Miller, Gary	Wexler	
Cannon	Fattah	Nease	Miller, Gary	Wexler	
Cantor	Ferguson	Nease	Miller, Gary	Wexler	
Capito	Filner	Nease	Miller, Gary	Wexler	
Capps	Fitzpatrick (PA)	Nease	Miller, Gary	Wexler	
Capuano	Flake	Nease	Miller, Gary	Wexler	
Cardin	Foley	Nease	Miller, Gary	Wexler	
Carnahan	Forbes	Nease	Miller, Gary	Wexler	
Carson	Ford	Nease	Miller, Gary	Wexler	
Carter	Fortenberry	Nease	Miller, Gary	Wexler	

ANSWERED “PRESENT”—1

Lipinski

NOT VOTING—8

Cox	Hobson	Menendez
Davis, Jo Ann	Hulshof	Tiberi
Hastings (FL)	LaHood	

□ 1257

Mrs. CUBIN, Ms. KILPATRICK of Michigan, Ms. MCCOLLUM of Minnesota and Messrs. ROGERS of Alabama, BACHUS, BRADY of Texas, KINGSTON and SHADEGG changed their vote from “yea” to “nay.”

Messrs. GARRETT of New Jersey, SULLIVAN, FRANKS of Arizona, GINGREY, BARRETT of South Carolina and MOLLOHAN changed their vote from “nay” to “yea.”

So the joint resolution was not passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

#### PERSONAL EXPLANATION

Mr. FEENEY. Mr. Speaker, in rollcall vote 239 held today on H.J. Res. 27 I was recorded as “yea.” This incorrectly represents my view on this resolution. I intended for my

vote to be recorded as “no.” I have long been a supporter of free trade, and though I believe the WTO may have some faults, I support the United States membership in the organization.

#### PRIVILEGES OF THE HOUSE—RESTORING PUBLIC CONFIDENCE IN ETHICS PROCESS

Ms. PELOSI. Mr. Speaker, we are halfway through the first session of the 109th Congress and the Committee on Standards of Official Conduct has yet to begin its important work; and because the chairman of the Committee on Standards of Official Conduct refuses to obey the rules of the House and provide for a nonpartisan staff; therefore, pursuant to rule IX, I rise in regard to a question of the privileges of the House and offer a privileged resolution.

The Clerk read the resolution, as follows:

Whereas, in furtherance of its constitutional authority and to promote the highest ethical standards for Members of Congress, the House of Representatives established the Committee on Standards of Official Conduct;

Whereas, the ethics procedures in effect during the 108th Congress, and in the three preceding Congresses, were enacted in 1997 in a bipartisan manner by an overwhelming vote of the House of Representatives upon the bipartisan recommendation of the ten member Ethics Reform Task Force which conducted a thorough and lengthy review of the entire ethics process;

Whereas, Rule XI, clause 3(g) of the Rules of the House, first adopted in 1997 upon the recommendation of the task force, provides that the Committee “staff be assembled and retained as a professional non-partisan staff” and “[a]ll staff member shall be appointed by an affirmative vote of the majority of the Members of the Committee;”

Whereas, Rule XI states that each such staff person “shall be professional and demonstrably qualified for the position which he is hired” and is prohibited from engaging in “any partisan political activity directly affecting any congressional or presidential election;”

Whereas, Rule XI also provides that, “in addition to any other staff provided by law, rule or other authority,” the Chair and Ranking Minority Member may each appoint, without a vote of the Committee, one person as a shared staff member from his or her personal staff to perform service for the Committee; and further provides such shared staff persons are exempt from the provision requiring that “the staff be assembled and retained as a professional, nonpartisan staff” and the provision stating that “no member of the staff shall engage in any partisan political activity directly affecting any congressional or presidential election;”

Whereas, from 1997 through 2004, the Staff Director/Chief Counsel and other professional staff were appointed by an affirmative vote of a majority of the members of the Committee, and the shared staff members exercised no supervisory or other authority over the professional staff;

Whereas, in January of 2005, the Chairman of the Committee improperly and unilaterally fired nonpartisan Committee staff;

Whereas, the Chairman now proposed to designate his shared staff person as the Committee Staff Director, clothed with supervisory authority, without subjecting him to a vote of the Committee;