

the purpose of proceeding to the Legislative Branch appropriations bill under a consent agreement that there be 10 minutes equally divided for debate prior to the vote; finally, that this amount of time count against the majority's time under CAFTA.

We have cleared the Legislative Appropriations bill and this would allow us to consider that bill quickly, without a rollcall vote. Then we can begin the debate on CAFTA. Debate on the CAFTA legislation is under a statutory 20-hour time limit. Therefore, I expect the next vote to be the last vote of the evening.

The PRESIDING OFFICER. Is there objection?

Mr. DORGAN. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. FRIST. Mr. President, for the information of colleagues, this will be the last vote of the evening. We will be proceeding with CAFTA tonight.

The PRESIDING OFFICER. The question is on agreeing to the motion. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. MCCONNELL. The following Senators were necessarily absent: the Senator from Utah (Mr. BENNETT), the Senator from Oklahoma (Mr. COBURN), the Senator from New Hampshire (Mr. GREGG), and the Senator from Florida (Mr. MARTINEZ).

Mr. DURBIN. I announce that the Senator from Connecticut (Mr. LIEBERMAN) is absent due to death in family.

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

The result was announced—yeas 61, nays 34, as follows:

[Rollcall Vote No. 169 Leg.]

YEAS—61

Alexander	DeMint	Lugar
Allard	DeWine	McCain
Allen	Dodd	McConnell
Baucus	Dole	Murkowski
Bingaman	Domenici	Murray
Bond	Ensign	Nelson (NE)
Brownback	Feinstein	Pryor
Bunning	Frist	Roberts
Burns	Graham	Santorum
Burr	Grassley	Sessions
Cantwell	Hagel	Shelby
Carper	Harkin	Smith
Chafee	Hatch	Specter
Chambliss	Hutchison	Stevens
Cochran	Inhofe	Sununu
Coleman	Isakson	Talent
Collins	Jeffords	Kyl
Conrad	Leahy	Voivovich
Cornyn	Lincoln	Warner
Craig	Lott	Wyden
Crapo		

NAYS—34

Akaka	Inouye	Reid
Bayh	Johnson	Rockefeller
Biden	Kennedy	Salazar
Boxer	Kerry	Sarbanes
Byrd	Kohl	Schumer
Clinton	Landrieu	Snowe
Corzine	Lautenberg	Stabenow
Dayton	Levin	Thomas
Dorgan	Mikulski	Thune
Durbin	Nelson (FL)	Vitter
Enzi	Obama	
Feingold	Reed	

NOT VOTING—5

Bennett	Gregg	Martinez
Coburn	Lieberman	

The motion was agreed to.

DOMINICAN REPUBLIC-CENTRAL AMERICA-UNITED STATES FREE TRADE AGREEMENT IMPLEMENTATION ACT

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 1307) to implement the Dominican Republic-Central America-United States Free Trade Agreement.

The Senate proceeded to consider the bill.

The PRESIDING OFFICER. The Democratic leader is recognized.

Mr. REID. It is my understanding under the rule there is 10 hours on each side. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. REID. I yield 5 hours to the ranking member of the Finance Committee, Mr. BAUCUS, and 5 hours to Senator DORGAN.

The PRESIDING OFFICER. The Senator has that right.

Who yields time on the bill?

The Senator from Montana.

Mr. BAUCUS. Mr. President, I yield myself such time as I may consume.

Tonight the Senate begins its consideration of the Dominican Republic-Central America-United States Free Trade Agreement Implementation Act, more commonly known as CAFTA. I will be speaking in some detail on this trade agreement tomorrow, but for tonight I want to open the debate with some observations about the process that brought us here.

CAFTA has proved itself to be the most controversial trade agreement to come before the Congress since the North American Free Trade Agreement a decade ago. It did not have to be this way. When the story of CAFTA is written, whether it passes or fails, the theme will be the politics of the last minute because even as we bring this bill to the floor parts of the CAFTA package are still being negotiated. In fact, they are being negotiated as we speak. We need to do better.

The Founding Fathers, in their wisdom, assigned primary responsibility for trade policy to the legislative branch. Article I, section 8, clause 3 of the Constitution states:

The Congress shall have the power . . . to regulate Commerce with foreign Nations.

It quickly became obvious, however, that Congress is a body ill-suited by structure to negotiate trade agreements. So our predecessors quickly figured that the actual negotiating would have to be delegated to the executive branch. Still, the constitutional responsibility for trade remains with the Congress. That is why under U.S. law no trade agreement is self-executing.

Trade agreements such as CAFTA have no force or effect on domestic law

until Congress passes implementing legislation. A system where one branch of the Government negotiates trade agreements and another must approve them and turn them into domestic law presents many challenges. To work well, it requires the highest degree of coordination between executive and legislative priorities.

Over the years, this system of shared responsibilities has been formalized into Senate procedures commonly called fast trade, or more recently, trade promotion authority. These procedures require the executive to negotiate agreements that meet a long list of congressional priorities, and they require very close consultation between the executive and Congress at every stage of the process.

I am sure that Ambassador Portman, our current USTR, and his staff can document that they followed these statutory procedures to the letter for CAFTA. I do not disagree. Their problem is that process for the sake of process does not work if there is no true spirit of cooperation. A statute can require a meeting, but a meeting of the minds cannot be mandated by law. A true meeting of the minds is what we need to make the consultative process work the way it is intended to work.

Congress and the executive need to be working closely together at every stage of a trade negotiation to make sure that everyone's priorities are being addressed, maybe not all agreed to but certainly all addressed. Unfortunately, that is not what happened with CAFTA.

Early on in the CAFTA negotiations, I could see that sugar was going to be a difficult issue so I asked former USTR Ambassador Zoellick to meet with the Senate sugar caucus. That meeting was not required by trade promotion authority, but it made sense to try to address a difficult issue as soon as possible. The meeting took place and views were exchanged, but there was no meeting of the minds and little attempt to continue the dialogue. Not surprisingly, CAFTA's sugar provisions were unacceptable to many Members, but CAFTA sat unchanged for more than a year.

Suddenly, last week, there began a series of around-the-clock sugar negotiations. Those negotiations were ongoing this morning when the Finance Committee marked up CAFTA. They are still ongoing as we speak. So those of us who have sugar producers in our States still do not know for sure what CAFTA means for our constituents.

This would have been resolved and should have been resolved months ago. We should not be on the floor debating an implementation package that is not final. The story is similar for the labor provisions. From the beginning, it was clear that labor rights were going to be a contentious issue in CAFTA. So I, together with a number of colleagues, began a dialogue with Ambassador Zoellick. We sought assurances that CAFTA's labor provisions would be

stronger than those in other recent free-trade agreements, but little progress was made. Suddenly, within the past few weeks, there began a series of around-the-clock meetings between Ambassador Portman and several Democratic Senators and Members of the House.

Just this morning, as the Finance Committee came together to vote on CAFTA, brandnew labor and capacity-building provisions were revealed.

We should not be on the floor debating CAFTA when the ink is not yet dry on these provisions and nobody really knows what they mean. I know that there is another way. I have seen it work.

In the fall of 2003, I put out a series of proposals for strengthening CAFTA's environmental chapter. Ambassador Zoellick and I had a productive yearlong dialogue on these issues. It was very constructive, very rewarding. He was engaged; I was engaged. With commitment on both sides, we agreed on key improvements that are included in the text of this agreement. This is the model I want to follow in the future, not the last minute dealmaking but the long, thoughtful dialogue working to find accommodation, find agreement, which builds a greater consensus for trade, let alone the agreement in question.

Trade promotion authority expires in 2007. At that time, Congress will consider whether there are ways to improve the process. The truth is, the process is only as good as the goodwill of the people using it.

I do not say this to lay blame. We are all responsible. Members of the Senate are caught up in the press of business and do not always focus on their priorities early enough in the trade negotiation process. The executive hears but does not always follow the advice or pay attention to the advice it receives from Members of the Senate. The same would be the case for House Members.

Still, in the end our trade policy is only successful when it reflects the priorities of both the Congress and the executive.

In the coming months and years, let us rededicate ourselves to the purpose behind the process. Let us work together and truly mean it. That is the way we get things done. Again, under the Constitution, Congress has primacy in trade, but because we are not a parliamentary form of government but a constitutional form of government with separate branches we, by necessity, have to delegate the negotiating of trade agreements to the executive. But to make this work and to continue to have a consensus and to build a consensus on trade agreements, the administration must consider the wishes of Congress much more seriously in the future. Otherwise, it runs the real risk of losing, perhaps, trade promotion authority for other similar agreements.

I say this also because we stand at a moment in history, at a time when the United States has to work much more

aggressively, much more cooperatively among ourselves, different sectors of the country, to meet the competitive challenges that we face overseas. Whether it is China, Japan, Europe, the flattening of the Earth, or changes in telecommunications technologies, we have to work a lot harder, invest more in education, address the high health care costs that put our American companies at competitive disadvantage, and be much more aggressive in enforcing our trade laws. There are many more actions we must take. When that happens, the more the President and the Congress in good faith can totally put politics aside because this is an American issue. This is not a partisan issue. This is an issue for America. If they were to do so, and we were to do so, we will fulfill the responsibilities we have, and it will help our people at the same time.

At the appropriate time, I will later yield time to the senior Senator from Connecticut, Mr. DODD.

I yield the floor.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, before I begin my remarks I want to thank the Senator from Montana, the ranking Democrat on the committee, and the former chairman of the committee for his cooperation and good-faith effort to have the Senate and our committee work to get its job done. Even though he has a different view on this legislation than I do, he has been very cooperative in helping things happen, even though he disagreed. I think it is that spirit that gets things done in the Senate. It is kind of the tradition of our committee, but I think it is particularly true of his and my working relationship. So I thank him very much.

Mr. BAUCUS. Mr. President, I must respond to that gracious statement by my good friend from Iowa. No member of this body can be more blessed to have a partner to work with in such cooperation and good spirit than I. I am lucky—more importantly the Senate is lucky—to have the chairman of the Finance Committee. He is a wonderful person to work with. We work very closely together. We are a real team and we think that our States are better for it. We also think that the country is better served as well.

For whatever reason, whether it is true or not, I want to very much give my utmost thanks and compliments to the senior Senator from Iowa.

Mr. GRASSLEY. I thank the Senator. Following on the spirit of the statement that he made and probably not directly germane to this discussion, though, is also the fact that too often the public draws conclusions that all we do is have partisan fights, Republican and Democrat, and that we are always at each other's throats. I think people, including my constituents in Iowa, get that view because conflict makes news. They never hear of the cooperative efforts that we have made.

In fact, the very week this bill was voted out of committee, we had some differences that were not entirely partisan. There were some Republicans who agreed with Senator BAUCUS and some Democrats who agreed with me on this bill. It was a very narrow margin in our committee. But that very same week we voted out a bipartisan Energy bill on a 20-to-0 vote, which shows one gets a lot of attention and the other one doesn't. But I think it shows you can have differences and still make the system work.

As you would expect, I have talked about this legislation over a long period of time. I am glad we are to the point of the Senate consideration of it, so it is no surprise to you or anybody else that I support what is referred to as the Dominican Republic-Central America-United States Free Trade Agreement Implementation Act. I am just going to shortly call that the Central American Free Trade Agreement or CAFTA for short.

The bill before us, then, implements the trade agreement that was negotiated between our executive branch and the leaders of these five countries over the past several months. Our President gets the authority to negotiate through what we call the trade promotion authority legislation, where Congress has the constitutional control over international trade; it is our constitutional responsibility. But since it is impossible for 535 Members of Congress to negotiate legislation, we delegate, under strict procedures, the President making those negotiations. These negotiations went on for several months, maybe even over a period longer than a year, and was signed a year ago.

Congress then has the responsibility of considering it. In most cases, we end up agreeing to it, but we pass these free-trade agreements—whether they are bilateral, multilateral or regional—in the form of legislation, so Congress has control over the final product and implements our constitutional responsibility through the agreements being passed by Congress in the form of legislation.

That is where we are now: The Senate's final consideration of adopting a law that includes the contents of the negotiated agreement between the United States and these five countries of Central America.

This agreement strengthens the ties of friendship, cooperation, and economic growth between our Nation and the growing economies of Central America and the Dominican Republic. It is also an agreement that is fundamentally in our national economic and security interests. If it were not in our national economic and security interests, obviously we would have no business having our President negotiate it. Or if it were not in our interests and he did negotiate it, the Congress should not be passing it as law.

Today, when it comes to the economic interests that we have with this

legislation, most imports from the region enter our market duty free. They come from those countries into our market duty free. In contrast, exports from the United States to those countries face a myriad of tariffs and non-tariff barriers in the region. That is where we are now. That is the status quo.

I have a chart here that obviously is not going to contain every product. I am not going to have on the chart every product that goes back and forth between our countries. But this chart illustrates, on this side where you see various products—let's say just on grains. I will just go to the first line. We pay now a 10.6-percent tariff to get our products into these countries. If those countries were shipping the same product to us, they would be paying zero tariffs.

Now, with this agreement before the Senate that we are considering, when it is fully implemented—because some of these are phased in—you will see that we will not have any tariffs that we now pay for getting our products into the countries. And of course it has not changed anything for them.

But this chart shows, if we do not do anything, what the status quo is. The status quo is on that side of the chart. It is kind of a one-way street. All the advantages are from products coming from Central America into America. All of the impediments are against products going from the United States down to those countries. So on this side of the chart, after the legislation is passed, you see a two-way street. You see the status quo has ended.

Let's be clear. A vote against this agreement is a vote for the status quo. It is a vote to maintain unilateral trade and to keep tariff barriers to our exports very high. I could say this another way by saying that the "F" in Central American Free Trade Agreement, the "F" in CAFTA, once we pass it, is really going to make it a Central American Fair Trade Agreement.

You can see what is unfair to American producers now. What is very unfair to American producers now, shipping to those countries down there, becomes a level playing field. It becomes a fair agreement, a fair, level playing field.

A vote against this agreement is a vote that denies logic. Make no mistake, these tariff barriers to our exports are real. They affect everyday Americans, maybe not in a way that they know, but when you study it, you see how it impacts them.

Under the status quo, an off-road loader manufactured by Caterpillar in Peoria and exported to Costa Rica must pay a 14-percent tariff. This is equal to a \$140,000 tax on our export. With CAFTA, the tariff goes to zero—not tomorrow, but immediately. This is good news then for those UAW workers at Caterpillar, in Peoria, who make this vehicle within the United States.

On another example under the status quo is microchips produced in New

Mexico and/or Oregon face a 10-percent tariff today. With this Central American Free Trade Agreement this tariff barrier is eliminated.

Under the status quo, manufactured auto parts cannot even sell in the Central American market. You don't get them in. It isn't a question of how high is the tariff; you can't get them into the market. Under CAFTA, we will be able to export these manufactured goods to the Central American market. So this means new opportunities for companies such as CARDONE Industries and their workers in Philadelphia, PA.

Under the status quo—in other words, if we didn't pass this agreement—DVDs produced across the country would be subject to tariffs of up to 20 percent before they can be sold to consumers in Central America. But with this agreement becoming law, those DVDs become tariff free, leveling the playing field, being fair to workers in America.

The story is very similar for products that I am very much involved in, in my State of Iowa, products from U.S. farms. Today, over 99 percent of the food and agricultural products that we import from the region of Central America come into the United States duty free, as evidenced by the zeroes there on the second column. Meanwhile, our food and agricultural exports to Central America are hit with an average 11-percent tariff, with some tariffs ranging as high as 150 percent.

CAFTA levels the playing field for U.S. farmers. It takes one-way trade and makes that one-way trade into a two-way street. It tears down unfair barriers to our agricultural exports. It gives our farmers a chance to compete in a growing and vibrant market of 40 million consumers.

If anybody thinks that globalization is bad, do you know what they are saying? They are saying that the United States ought to concentrate on selling to Americans. We make up 5 percent of the world's population; 95 percent of the world's population is outside the United States. That is a market that we need to be competing in. We are an exporting nation—agriculture, manufacturing, services. If we are an exporting Nation and our market is 95 percent of the people in the rest of the world, we have to be playing on that field. This gives us an opportunity to play on that field, not with all the other 95 percent of the people in the world, but at least with 40 million of those consumers who live in these five countries.

These barriers I have just referred to are real for our U.S. farmers. Pork producers in my home State of Iowa face import tariffs from 15 percent to 40 percent. When we have full implementation of this agreement, Iowa producers will be able to export pork products duty and quota free.

Today, rice producers from across the South must overcome in-quota tariff rates of from 15 percent to 60 percent.

These tariffs are phased out and eventually eliminated under this agreement.

Prohibitive tariffs of up to 40 percent lock our beef exports out of the Central American market. This agreement provides immediate duty-free, quota-free access for high-quality U.S. beef, with eventual elimination of all tariffs on U.S. beef. And value-added agricultural products, such as breakfast cereal, will see tariffs reduced from 32 percent to zero immediately, providing new opportunities for U.S. workers.

The fact is, virtually every major agricultural producer in the country, in the United States, will benefit from the passage of this agreement, including dairy, Vermont; poultry, Arkansas; apples, Oregon and New York; barley, Montana; frozen french fries, Maine; nuts, New Mexico; dried beans, Wyoming. All in all, the total given to us by economists at the American Farm Bureau Federation is an estimated net gain to U.S. agriculture of nearly \$1.5 billion each year upon full implementation.

The agreement also opens the services market to U.S. service exports. Key sector opportunities include telecommunications, banking, insurance distribution, audiovisual and entertainment, energy, transport and construction.

Our high-tech sector stands to benefit; the Dominican Republic, Guatemala, Honduras, Costa Rica, and El Salvador will join the agreement and eliminate tariffs on imports of high-technology products, thereby saving United States exporters more than \$7 million annually on import duties that would be paid today.

The agreement goes far beyond reducing important tariffs, putting into place strong investment protections, anticorruption provisions, intellectual property protections, strong provisions on labor in the environment. This agreement is a solid win for the U.S. economy. It is a solid win also for the neighbors of these Central American countries.

For a third time, I say, let's be very clear. The alternative to this agreement is nothing but the continuation of the status quo. It is unilateral access to our markets and nothing in return for American exports. I don't think the status quo is good enough for our farmers and our workers. I don't think Congress should vote to keep barriers to our exports to these countries high when they can be eliminated. This is what this vote on the Central American Fair Trade Agreement is all about. It all boils down to a vote for unilateral trade and the status quo or a vote to reduce barriers for our farmers and workers. To me it is a very simple answer. Get this agreement passed as fast as we can and bring this level playing field for our farmers, our service industries, our manufacturers.

Too often, we talk in economic terms about trade. There are other compelling reasons to support this agreement.

Over 20 years ago, Congress first opened our markets to products from Central America and the Caribbean. Why did we do that? That part of the world was in turmoil. Central America was a region in great political and economic upheaval. Civil strife, civil war, and political violence were part of daily life. As a result, too many innocent people lost their lives and many more lost their livelihood.

I have a chart of headlines accurately reflecting that gruesome and chaotic violence that was going on at that time. Whether it was Nicaragua, Honduras, or El Salvador, it was constant conflict. The headlines accurately reflect that violence.

So where are we 20 years later? We see a very different Central America. Through sustained political and economic engagement with the region, including the continuation of the unilateral trade preferences for over 20 years, the United States of America has helped this part of the world develop a very different story today. Today, that story is that with progressive leadership of these democratic governments, the people of Central America are enjoying the fruits of freedom, the fruits of democracy that we would describe as elected governments, participatory democracy, choice for the voters, and, as a result, generally stable civil societies.

Now we have this situation in Central America. These leaders, who many of us have had an opportunity to meet with, have given us confidence that this sort of leadership will continue in the future, but these leaders want more for their country. They want to cement the gains of the last 20 years since the civil wars have ended. They want to build a better foundation for that future. Part of that better foundation is the progressive ideas that are articulated in the CAFTA agreement. These ideas came not from the United States but from the leaders of Central America who first approached us with the idea of strengthening our trade relations at the Quebec Summit of the Americas in April 2001.

The fact is that passage of CAFTA is good both for our geopolitical and economic interests. We have very little to lose. We have much to gain with its passage. In contrast, we have much to lose and we have little to gain if this agreement is defeated.

I have a letter displayed from President Carter. He makes the point I just made very well. In that letter he recently wrote, saying through CAFTA:

Our own national security and hemispheric influence will be improved with enhanced, improved stability, democracy and development in our poor fragile neighbors in Central America and the Caribbean.

Continuing from President Carter:

There are now democratically elected governments in each of the countries covered by CAFTA. In negotiating this agreement, the Presidents of the six nations had to contend with their own companies that fear competition with United States 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 United States 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 United States.

The stakes are high. President Carter, being a President with a global view, saying the stakes are high, lends a great deal of credibility in a bipartisan way—he is a Democrat, I am a Republican—to the reasons and rationale behind this. That going beyond the economics of trade to the good that comes from trade.

I often say during debates on trade in this body we as political leaders, as Senators, our President of the United States, the Cabinet, our diplomatic corps, we always think we are negotiating all these things, we are making decisions that are going to bring about world peace.

Obviously, we set a standard or at least create an environment for either a peaceful society or a less peaceful society to exist. Our efforts are a spit in the ocean compared to what business men and women in America and other countries do in millions of transactions and the dialog they have in the process, breaking down, misunderstanding, creating friendship through what they do at their level, their citizen level of participating much more so than we can.

The things that are evidenced by our trade agreements over the last 50 years—and this is a little part of this 50-year effort to promote international commerce—have set a stage where business and commerce is doing more to bring about world peace than we as political leaders can do.

The United States, I suppose, has about 300 million people now; 40 million people down there. It is a small part of the world.

How do you make progress in peace? You make progress in peace by inches, not by miles. This may be a couple inches of helping us down the path to world peace, but we need to take every opportunity we can to encourage commerce. Yes, it creates jobs. It creates prosperity. It is also going to help bring about greater world understanding.

This is a very good agreement. I hope it receives very broad support in the Senate. I hope through my views I have helped colleagues understand the importance of it. I hope those colleagues will join me to ensure that we do not undermine the significant progress that has been made in this region of Central America over the last 20 years and to ensure our American exporters can enjoy the benefits of this agreement.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. DODD. Mr. President, I ask unanimous consent that I may be able to use such time as I consume from the time under the control of Senator BAUCUS.

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

Mr. DODD. Mr. President, first of all, I commend our colleague from Iowa, the chairman of the Finance Committee, and Senator BAUCUS, the ranking member from Montana, and the other members of the Finance Committee for their efforts on behalf of the Central America-Dominican Republic Free Trade Agreement, or CAFTA, as it is known by most who follow this debate and discussion.

I voted for the motion to proceed. I would have preferred we had a little more time. I realize we are moving rather quickly on this legislation. I hoped we would have a few more days to work on this legislation, but obviously that is not the case. We are moving ahead with the 20 hours of debate under the procedures as established by the Congress to have a fast-track procedure when dealing with trade agreements. So we are given the time we have to debate and discuss these matters.

I am going to take advantage of this time and lay out for my colleagues and others my interests and my concerns about this matter.

First of all, let me say, as someone who has spent almost a quarter of a century in this body, I have dedicated a great deal of my service to my interest in Latin America, my interest in Central America, and the Caribbean. That interest arose almost 40 years ago when, as a recent graduate from college, I joined John Kennedy's Peace Corps and traveled to the Dominican Republic, where I spent the next 2 years as a young man in the mountains of what is called the Cordillera Central of the Dominican Republic not far from the Haitian border as a Peace Corps volunteer. I have a deep, deep affection for the people of the Dominican Republic, the people of Haiti, and the people of the Caribbean and Central America.

My oldest brother Tom was a professor at Georgetown University for 27 years and taught Latin American diplomatic history and also was our Ambassador to the nation of Uruguay and the nation of Costa Rica. Two others of my brothers studied in Mexico. My sisters speak Spanish. My mother did as well. There has been a strong interest in my family in Latin America for many years.

My strong hope and desire, as I rise this evening to talk about this agreement, is to be able to be supportive when the vote occurs at the end of the 20 hours of debate. I think it is important we try to do everything we can to improve the quality of the lives of the

people who live in these countries. They have been through an awful lot just during my tenure here in this body.

For those who were Members of this body back 25 years ago, 24 years ago, we had some long and extensive debates about the political events in Central America. Civil wars raged. In Guatemala, the civil war raged for decades, as a matter of fact, long before I arrived in the Senate. You had civil wars raging in El Salvador, the civil war that went on in Nicaragua. The economic difficulties in Honduras were tremendous.

There has been political turmoil in the Dominican Republic. In fact, the year before I arrived in the Dominican Republic as a Peace Corps volunteer, there had been a minirevolution there, which caused Lyndon Johnson to send the USS *Boxer* off to the coast of the Dominican Republic. The Marines went down in 1965 and, in fact, were still there in 1966, when I arrived there as a Peace Corps volunteer, as a young man, to work in the mountains of that country.

Also, natural disasters have struck. I cannot recount the number of times they have hit the Dominican Republic and Haiti over the last number of years. Hardly a year goes by that some tragedy does not occur in these countries. Certainly, hurricanes have swept across the Island of Hispaniola, which is home to both Haiti and the Dominican Republic. I know my colleagues will recall the mud slides in Haiti, where literally thousands have lost their lives.

And then there are the repeated hurricanes that have hit Central America. I recall going down, in early 1993, after one of those hurricanes hit Nicaragua, to work with then-Vice President Gore's wife, Tipper Gore, trying to clear mud out of schools and impoverished communities. Bridges were wiped out. Crops were lost. The country was devastated.

To put it in brief, without going into long detail, these five countries of Central America and the Dominican Republic—Haiti is not included in this agreement. I regret that. I wish we were doing something more about Haiti. This body, a year ago, unanimously adopted a concessionary agreement with Haiti. Unfortunately, the other body refused to take up the matter. It could have made a difference, in my view, to provide some real assistance to people who are so desperately in need of help, the island nation of Haiti. It is one of the great tragic cases in the world, let alone in this hemisphere, the conditions under which people live there.

I had hoped we might bring up that concessionary agreement again, either as a part of or in conjunction with this CAFTA agreement. The irony, in a way, if this agreement is adopted, is that we will be providing some meaningful assistance to the Dominican Republic, which inhabits two-thirds of the

Island of Hispaniola, and doing virtually nothing for one-third of the island where the most desperate conditions prevail—in Haiti. But hope springs eternal, and I hope, before this Congress adjourns, we will be able to convince the other body that there is a reason to try to do what we can for Haiti.

But back to the matter at hand, and that is this agreement affecting the Central American nations and the Dominican Republic. The people of these nations deserve our help, deserve something that will improve the quality of their lives. If that does not happen, quite candidly, what you are going to see is what people have done historically. They will express their feelings with their feet. They will walk. They will move. They will migrate. In many instances, I presume they will come to this country however they can make it here. We welcome, obviously, immigration. But a flood of immigration, which can occur as a result of economic conditions, in this country is something we ought to be mindful of as we consider the implications of this proposal.

So again, my hope is to be able to be supportive.

Let me outline, if I may, briefly, what my interests are. I had a very good meeting today with Ambassador Portman. I did not know him terribly well before, but I was very impressed with him and the team. We spent about an hour in my office discussing this matter. We had a very good meeting at the White House not too many days ago. President Bush, very graciously, invited a group of us down—I gather he has done that on several occasions now—along with people who are not committed to this agreement, to listen to various ideas. I commend him for that. I think there is a true desire to try to build strong support for this agreement in this body and in the other, if we can.

So if I can, Mr. President, very briefly, I would like to lay out my concerns, what I am doing, what I have done today, what I am doing this evening, and what I will do tomorrow morning in anticipation of a vote occurring either tomorrow or on Friday, with my strong, fervent hope that I will be able to support this agreement. But let me lay out my concerns. As you know, I have long been concerned, as I mentioned, and involved in all aspects of our policies with respect to the countries of Central America and the Dominican Republic. For those of us who were serving in this Chamber in the 1980s, we all remember the dark days and bitter debates about events in the region at that time and the U.S. response to them. Happily, those dark days are now behind us. Today, the situation, if you will, in Central America is a far more positive and fruitful one. The debate is, of course, how to enhance our economic relations with the region in a manner that benefits the United States and our neighbors.

I believe there are real possibilities for the CAFTA-Dominican Republic

agreement being a vehicle for enhancing those relations and strengthening democratic institutions throughout the region. But I also believe that, even at this late date, there need to be certain understandings and clarifications if, in fact, we are going to achieve the very goals the CAFTA-Dominican Republic agreement lays out. Those clarifications relate to certain aspects of the agreement, if it is truly going to live up to the expectations the parties have set forth in it.

Those of us who want to advance respect and adherence to core internationally recognized labor standards were somewhat disappointed that the agreement is a weak instrument for doing so. In fact, it is weaker than current provisions under the Caribbean Basin Trade Partnership Act, which currently links unilateral trade benefits from the United States to the Caribbean Basin Trade Partnership Act-eligible countries to international workers' rights.

I welcome the efforts of Senator BINGAMAN, our colleague from New Mexico, to strengthen the capacity of these countries to effectively enforce and uphold internationally recognized labor rights. I believe the provision agreed to by the administration, to provide an additional \$3 million to fund the International Labor Organization programs in CAFTA-DR countries, is a step in the right direction.

Ambassador Rob Portman has committed, on behalf of the Bush administration, to provide these moneys to the International Labor Organization so the organization can monitor and verify progress in the Central American and Dominican Republic Governments' efforts to improve labor law enforcement and working conditions.

To strengthen the effectiveness of the ILO in carrying out its work in the region, I believe there needs to be a clear understanding, before we vote on the CAFTA-DR agreement, of exactly what would be entailed in those ILO programs if they are going to be effective. That is why I met today with Ambassador Portman and have contacted the CAFTA-DR Ambassadors from these countries to describe what I believe is needed to make the ILO initiative meaningful.

Let me spell it out, if I can, very briefly. And it is not unreasonable and does not require renegotiation in any way.

I have requested answers in writing from the affected CAFTA-DR Governments as to whether jointly or severally they would each welcome and support ILO efforts to improve labor enforcement and working conditions in their countries in relationship to the implementation of the CAFTA-DR agreement. We would support and welcome an active role for the ILO representatives and their countries, including acceptance of the principle that ILO representatives would be granted unfettered access to workplaces, be permitted to establish mechanisms for receiving and investigating

matters related to core ILO labor standards, make private recommendations to worker and employer organizations and appropriate officials within each Government, as well as issue periodic public reports of its findings on matters of concern related to the enforcement of core ILO international labor standards as specified in the International Labor Organization's Declaration on Fundamental Principles and Rights at Work and its followup adopted by the International Labor Conference in 1998.

I am not breaking new ground here at all. In fact, what I have just described is included in other labor and other trade agreements, most specifically the trade agreement with Cambodia which was renewed by the Bush administration only recently, adhering to the very principles that were negotiated under the Clinton administration. So this is something that has already been accepted.

Let me tell you why these provisions are important and why I think they help what we are trying to achieve with this trade agreement. I am hopeful the administration and the agreement governments will find this clarification useful and acceptable. If so, I believe the CAFTA-DR agreement will have made an important contribution to strengthening democracy in the region and improving the daily lives of their citizens. I await word from them in the coming hours.

As I said, I very much want to be able to support this agreement. But I also want to have some confidence that I will be helping to raise the living standards of American and CAFTA-Dominican Republic workers and not be an accomplice to a rush to the bottom in weakening working conditions in either the United States or elsewhere in the region. Let me be clear that we aren't somehow raising the bar on the issue of respect for core labor rights. Existing trade preference programs for the region provide that the President should at least take into account the extent to which beneficiary countries provide internationally recognized workers rights.

As currently written, the CAFTA-DR agreement would weaken standards these countries have been living under through the Caribbean Basin Initiative and Generalized System of Preferences. Instead of asking them to do more with the CAFTA-DR agreement, we are asking them to do less. Moreover, currently the trade benefits can be withdrawn in these other countries if a country lowers its labor laws below international standards or simply fails to meet those standards. And they can be withdrawn if a government directly violates internationally accepted workers rights that might not be protected under their laws. But this will not be the case under CAFTA and the Dominican Republic.

Let me reemphasize that. Under the Caribbean Basin Initiative agreements, we established very well for all in-

volved that International Labor Organizations labor standards, which are not terribly high standards, ought to be enforced collectively. The irony would be that we are now moving away from the very agreement that has been beneficial to the Caribbean Basin Initiative countries. In fact, some of these countries are obviously under that agreement now, and these standards would be lowered, not enhanced, at a time we have been trying to improve conditions.

This is also important to us from an economic standpoint. It has always been our goal with trade agreements with less developed countries to try to create wealth, to be wealth producing in our trade agreements. Obviously, this is critically important in the long term because our higher value goods and our higher value services need to have markets in these underdeveloped countries. If there is not wealth creation in these nations, then how will they ever afford to buy the products and the services that are higher cost? We have always tried to, as part of our trade agreements, improve those standards with a long-term vision that we would be a beneficiary as a result of wealth creation. And also it helps to improve tremendously living standards in the countries with whom we are trading.

Moreover, the lack of an objective standard is troubling because it could create a race-to-the-bottom mentality where investors and companies play governments against each other seeking lower labor standards in a quest for increased profits. That type of situation would wreak havoc on civil society in these countries. At a time when we are trying to promote more civil societies, to strengthen democratic institutions, it could have the opposite effect. It could cost also American workers their jobs. By having one standard that applies to all, you avoid the race to the bottom which could occur.

Let me make the point. Under this agreement each country would set its own labor standard, whatever they decided. They are required to enforce that labor standard. But there is no requirement of what that labor standard ought to be. For those who have followed events at all in these countries and have great affection for them, you don't need to have a PhD to understand there is a lot of difficulty when it comes to labor standards. That is why we have insisted on the ILO standards across the board generally, to try to maintain a more decent level. When you leave it up to each one of these countries to set their own standards and then only require that they meet them, you are obviously inviting the kind of race to the bottom I have just described.

For the most part, CAFTA and DR nations have laws on their books, but they face a lack of resources and domestic political opposition from influential people which prevents them from enforcing these laws. This state-

ment was expressed by U.S. Trade Representative Rob Portman at a June 9, 2005 speech, only a few days ago, that he gave before the Hispanic Alliance for Free Trade. I commend him for his speech. Let me quote it, if I may. In that speech Ambassador Portman said:

The ILO study demonstrated that the laws on the books are not the main issue. The major problem is that enforcement of those laws clearly needs improvement.

Ambassador Portman went on to say:

You can read the State Department's annual human rights report and quickly conclude that enforcement needs to be improved. You can read a recent White Paper published by the Labor Ministers of Central America, who themselves acknowledge that enforcement needs to be improved.

These are good statements. They are strong statements, and I agree with our ambassador when he makes them. That is all I am suggesting with the language that I have submitted to Ambassador Portman and to the Central American countries earlier this evening. In my opinion, enforcement problems are not a result of malice on the part of these leaders. I believe that these leaders and these countries want to do the right thing. But I would remind my colleagues that our neighbors to the South are democratic countries. As in all democracies, they have to deal with powerful opposition interests.

The administration seems to hold the view that the support for expanded trade and economic growth is incompatible with advocating core labor standards in developing countries. I believe the opposite is the case. In fact, when we have insisted upon better labor standards, we end up with a far better trading environment. In case after case after case, when we have insisted on stronger ILO standards, we have had a better trading relationship. When we have not, it has gone in the opposite direction. In fact, experts for the well-respected Institute for International Economics have concluded that "core labor standards support sustainable and broadly shared political, social, and economic development."

The operative word here is "shared," shared among citizens, not simply a handful of people who have the resources and the political influence to effect them.

So if this agreement is fixable—and I believe it is—it could be a win-win proposition. I believe it can be, and I hope the administration and the CAFTA-DR governments will welcome this fleshing out of the ILO role.

Again, I commend Senator BINGAMAN and Rob Portman and the administration for being willing to sit down at a late hour and to welcome ideas about how we might make this a stronger agreement. I think the votes are probably here to pass an agreement even without these suggestions, but I think it is a better trade agreement if we have the kind of ILO standards I have talked about.

Again, I emphasize, I very much want to support this agreement. I think it

would make a difference in the long run, not only for our own country but also for these struggling democracies in Central America and the Dominican Republic. These are good friends. They have been through an awful lot. I mentioned earlier the political turmoil and strife, the loss of life through civil wars, the natural disasters that have crippled them. They deserve better. They are not going to get it through foreign aid. I know that. But they could get it through an improved trading relationship, by lowering barriers and working cooperatively. My hope is we will do it. There is only a small amount of trade between ourselves and these countries. It amounts to very little in terms of overall trade dollars. But I think we set a standard that could be used throughout the region in the coming years.

My hope—even at this late hour, without in any way requiring that we reopen the process for negotiation—is that by just requiring that the ILO would be allowed to actually visit sites in these countries, not just the labor ministries, which is what the agreement does right now—under the agreement, the ILO would go to the labor ministry and say: Are you complying or not complying. Obviously, we know what the answer will be. You are asking the very people to discipline themselves. Obviously, they are not likely to conclude that they are not complying. By doing what we did in the Cambodian Free Trade Agreement, in permitting the ILO inspectors to actually have site visits to determine whether the laws are being enforced and then, of course, to be able to work with employers as well as employees to try to fix the problem that exists there, we do a lot to strengthen this agreement.

Again, I don't think it is asking too much. It goes a long way to making this a better and stronger agreement. It will do many good things for the people of these countries. I urge the administration and these CAFTA countries with whom we have been communicating today to consider this language offered. I have had a rather positive response so far from several of them, not all of them. My hope is that Ambassador Portman, on behalf of the administration, would be willing to accept this additional language to be included in correspondence along the lines that was provided to Senator BINGAMAN.

I have drafted a letter to Ambassador Portman that outlines what I have described here this evening. I am not going to include that letter in the RECORD. I would rather Ambassador Portman have a chance to see it before it becomes a public document for him to take a measure of it and to let me know whether something might be done along the lines we described here. I look forward tomorrow to addressing this issue again during further debate. My strong hope would be to be able to stand before this body and to offer my

unconditional support for this agreement. I believe what we have offered here is a reasonable proposal, one that could be included in this agreement and one that will allow us to have a strong vote.

My hope is it would convince some of our colleagues in the other Chamber who have expressed strong reservations about this agreement to come onboard. Most of the reservations have been focused on the labor standard issue. Again, I think we can strengthen that and convince many of our colleagues to support this agreement. The people of these little countries, desperately poor people, deserve better. If democracy is going to work here, if economic opportunity is to occur, then we ought to be doing more.

We have trade agreements with big powerful countries. Too often we allow too much to slip by and to allow these countries to take advantage of us. These small countries deserve some help and support. We spent \$5 billion in the 1980s financing and underwriting a part of the civil war that occurred there. Thousands lost their lives. A great deal of our treasury was expended in Central America. It is time we expended some effort to see these people have a chance for a better life.

I think this agreement can do it. A few changes that we have suggested could help us achieve that goal. I look forward to that opportunity occurring with a decision by the administration and the CAFTA countries.

Mr. President, I would like to address the Senate on another matter. I want to be careful to make sure no one else wants to be heard on this matter.

Let me inquire of the Chair, would it be appropriate for this Member to ask unanimous consent to speak as in morning business.

The PRESIDING OFFICER. That would be appropriate.

Mr. DODD. Mr. President, I ask unanimous consent to speak as in morning business for 10 minutes.

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

A FREE PRESS

Mr. DODD. Mr. President, two days ago the U.S. Supreme Court refused to consider overturning contempt citations against two journalists, Judith Miller and Matthew Cooper. This decision by the Court effectively paves the way for these two reporters to be sent, possibly, to jail. Yesterday the District of Columbia Circuit Court upheld the convictions of four additional journalists for contempt. They may appeal to the Supreme Court, but they are justifiably concerned that the Supreme Court will decline to consider their case, just as the Court declined to consider the Miller and Cooper cases the other day.

What did those journalists do to deserve criminal contempt convictions? Nothing more than their jobs, in my view. That is, they did nothing more than refuse to reveal to law enforcement officials the identity of sources

to whom they had pledged confidentiality.

Thomas Jefferson once said that were he to have to choose between a free country and a free press, he would select the latter.

He understood—as did the other Founding Fathers—that nothing was more important to a free people than the free flow of information. An informed citizenry is the first requirement of a free, self-governing people.

Armed with knowledge, our people can govern themselves and hold accountable their elected leaders and other high public and private officials.

Today, that principle of a well-informed electorate holding their leaders accountable is at risk.

Along with the 6 journalists I have just mentioned, there are 20 or more others who have been convicted or face conviction for protecting the confidentiality of their sources. This is an unusually high number by historical standards.

Senator LUGAR and I have introduced legislation, S. 340, the Free Flow of Information Act. We are joined in the other body by Representatives SPENCE and BOUCHER. The purpose of this legislation is to protect the free flow of information that is so essential to maintaining our free society.

This legislation is not about conferring special rights and privileges on members of the Fourth Estate. It is, rather, intended to protect the right of all citizens to inform and be informed—including by speaking with journalists in confidence.

The bill is hardly radical in concept. It is based on Justice Department guidelines and on statutes that currently exist in 31 States and the District of Columbia. While those State and DC statutes would not be preempted, the bill would establish a uniform Federal standard for Federal cases involving journalists and their sources. It would balance the legitimate and often compelling interest in law enforcement with the critical need in a free society to protect the free flow of information.

It would achieve this balance by protecting the confidentiality of sources—while at the same time allowing courts to compel journalists to produce information about wrongdoing if that information is essential to an investigation and cannot be obtained from other sources.

Imagine for a moment what would happen if citizens with knowledge of wrongdoing could not come forward and speak confidentially with members of the press. Serious journalism would virtually cease to exist. Wrongdoing would not be uncovered. We would never have learned about the crimes known as "Watergate" but for the willingness of sources to speak in confidence with reporters.

My colleagues, when journalists are hauled into court by prosecutors, when they are threatened with fines and imprisonment if they do not divulge the

sources of their information, then we are entering dangerous territory for a democracy, because that is when citizens will fear persecution simply for stepping out of the shadows to expose wrongdoing. When that happens, the information our citizens need to govern will be degraded—making it more and more difficult to hold accountable those in power.

And when the public's right to know is threatened, then all of the other liberties that we hold dear are threatened.

We are under no illusions as to the difficulty of our task in advancing this legislation.

We know that there are those who have a pavlovian response to words like "reporter" and may react negatively to this legislation. We also understand that it is critically important that we balance our Nation's compelling interest in preserving the free flow of information with its no less compelling interest in pursuing wrongdoing by criminals and others that would jeopardize the freedoms that we cherish as Americans.

Mr. President, again, I am joined by Senator LUGAR and my colleagues in the House, Congressmen SPENCE and BOUCHER. We would like to see some legislation at least be debated on the floor of the Senate and possibly passed by both Houses, if we have a chance to debate this.

The fact that reporters are going to jail because of their refusal to identify confidential sources ought to raise the concerns of everyone, regardless of their ideology or politics. We all understand there is a danger in this if we lose what has been critical as part of our self-governance. This evening, with two reporters we know facing very serious jail sentences, with others who may face similar sentences, with some 20 other people who have either been convicted or presently are in the process, we think it is very important that we act in this matter. We know it is not necessarily popular. This is not about reporters, it is not about the press, it is about whether the citizenry is going to have access to information they deserve to get. It is not about protecting journalists or sources if that is the only way we can get information we need to pursue criminal prosecutions. It ought not to be the first arrow drawn out of the prosecutor's quiver trying to deal with these matters. Too often that happens. They need to work harder to get to the bottom of these cases, without dragging the reporters in front of these courts.

I hope our colleagues on both sides of the aisle—conservatives, liberals, independents, moderates, or whatever—would be able to come together around this idea that in a free society of the 21st century the confidentiality of sources is something we ought to be willing to stand up and support. I urge my colleagues to consider this legislation and the leadership to put it on the calendar.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

MORNING BUSINESS

Mr. FRIST. Mr. President, I ask unanimous consent that there now be a period for morning business with Senators permitted to speak therein for up to 10 minutes each.

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

CONGRATULATING CHAMPION GOLFER MICHAEL CAMPBELL

Mr. SMITH. Mr. President, I rise today to speak to a resolution I will submit honoring a true champion. I rise today out of two affections in my life: one for the land of New Zealand, and another grows out of my enjoyment of the game of golf.

Ten days ago, on June 19, Michael Campbell became the first New Zealander to win one of the United States Golf Association's major championships in 43 years, besting a field of the world's most talented golfers.

Mr. Campbell showed great perseverance and mettle throughout the Open, mastering an immensely challenging course. He was also the first player to come from behind to win a U.S. Open in 7 years.

Mr. Campbell's win is yet another chapter in a proud tradition of excellence in international sports for New Zealand.

The Kiwis have won two of the last three America's Cup yacht races and netted three gold and two silver medals at last summer's Olympic Games in Athens.

The competitive spirit and success of these athletes is reflective of the bravery and skill of New Zealand's indigenous seagoing explorers, the Maori, of whom Michael Campbell is a descendent.

Mr. Campbell's victory in the U.S. Open also provides us with the opportunity to reflect on our relationship with New Zealand and at the same time to shape the future of our friendship.

Staunch allies in the two World Wars in the 20th century, New Zealand and its people have made tremendous sacrifices and heroic efforts to help protect freedom and democracy in the world.

Those efforts continue today, as New Zealand contributes regularly to international peacekeeping operations, remains steadfast in their alliance in the fight against terrorism, and has helped to reconstruct a new, democratic Iraq.

Even though there have been some bumps in the road—the deterioration of

the Australia-New Zealand-United States alliance comes to mind—New Zealand has been a great friend and an enduring ally over the years.

It is my hope that we will continue to foster this friendship.

On that note, I commend Michael Campbell and the nation of New Zealand for this momentous victory and express arohanui to the peoples of Aotearoa, our friends in the Land of the Long White Cloud.

ENERGY POLICY ACT OF 2005

Mr. DODD. Mr. President, yesterday I was necessarily absent from the Senate during final passage of H.R. 6, the Energy bill. I was attending the funeral of Mrs. Marcia Lieberman, the mother of my good friend and our colleague, Senator LIEBERMAN. Had I been here, I would have voted for the bill, albeit with considerable reservations.

I commend the chairman and ranking member for their hard work in crafting a bipartisan bill. But let me be clear, this bill is not perfect. All things being equal, it seeks to balance the economic needs of our country with the well-being of our environment and sets out a policy to provide Americans with a reliable and affordable supply of energy.

Overall, the Senate Energy bill is a more balanced approach to energy tax policy than the House bill. It provides just under 50 percent of the tax incentives to renewable energy and energy-efficient buildings, homes and appliances. Unfortunately, the bill also provides 50 percent of tax incentives to mature industries such as oil, gas, coal and nuclear.

The bill now includes a renewable portfolio standard, by which electric utilities must generate 10 percent of their power from renewables by 2020. In the past, I voted for a higher percentage because I believe our Nation can and should use even more renewable energy. However, the bill begins a smart, economic, and environmentally friendly path for this country to take and I am pleased that the Senate acted.

For the first time, the Senate is on record in acknowledging the existence of global warming and recognizing the need to take mandatory, market-based steps to slow, stop or reverse the growth of greenhouse gas emissions. It is a start, a baby step, but again, it puts this country on the right path and I look forward to working with my colleagues to determine the right proposals to combat these emissions. Air pollution must be reduced. Long-term exposure to toxic emissions and unhealthy air has been linked to increased risk of cancer, reduced lung function in children, and premature death of people with heart and lung disease. Asthma rates in Connecticut are over two and a half times the national average; 7.9 percent of adults and 8.9 percent of children under age 18 in Connecticut have asthma.

I am pleased the Senate included an amendment that I offered to study the