

market, and help to close the trade deficit which we continue to hear so much about. According to the U.S. Chamber of Commerce, U.S. exports to free-trade countries are at twice the rate of non-free-trade countries.

Frankly, Mr. President, through the ATPA we already offer Colombia the advantages, the trade advantages, coming in largely duty free. The FTA with Colombia is one-sided. It knocks down their tariff barriers to our exports and I am at a loss to explain why we would not quickly approve it when our exporters, our farmers, our workers in manufacturing sectors, our people in the IT industry, and people working in the food industry, all have so much to gain. One might ask why the Colombians want this FTA when America would see most of the benefit. They gave me the answer to that question when I was in Bogota a few weeks ago. They believe the FTA will send a strong signal that the United States remains committed to its friends and is supportive of a continuation of positive reforms in Colombia, such as those I have already mentioned.

On the flip side, they believe—and I am afraid from everything I have seen it is true—if we fail to do it, if we send an adverse message, if we do not approve the FTA, it would be bad news, for we would be, in effect, telling our best ally we are not as close a strategic partner as they thought, and Hugo Chavez, Raoul Castro, and other Marxists in the region will have their heyday ridiculing the Colombians for having turned to the United States. To continue to delay the United States-Colombia free trade agreement would be a refutation of our strong friendship of the Colombian people, a dismissal of the blood and treasure spent over the last decade to help Colombia and eliminate terrorism and improve its economy, and a signal to our allies that no matter how hard you cooperate with the United States you will be abandoned in the end. As the Colombians told me, if we do not approve the FTA, Hugo Chavez and Raoul Castro will rub their noses in it, saying: This is the way the devil pays his friends.

We saw another side of that yesterday in a good op-ed piece in the Wall Street Journal by Mary Anastasia O'Grady, "Latin Americans Want Free Trade." In that op-ed piece she pointed out what happened the last time we imposed tariffs, and when we cracked down on trade with Latin America. She quoted Sebastian Edwards that "protectionist policies based on import substitution were well entrenched and constituted, by far, the dominant perspective" in the downturn of Latin America. It:

... made a mess out of the region, and not only because spiraling tariffs and nontariff barriers blocked imports and destroyed the export sector. They also ... had a deleterious effect on politics too, as closed economies spawned powerful interests which seized not only on economic but political control and grew entrenched.

That is one of the reasons we have so many problems with so many countries in Latin America that are not realizing their full potential.

In sum, a Colombia FTA seems a simple but effective way to help solidify our image as a nation committed to helping our strategic allies in the world, in the Western Hemisphere, and standing shoulder to shoulder with us fighting those who attack our freedom. I urge my colleagues to consider seriously the importance of passing a Colombia FTA before this Congress ends in a few short weeks. This may be one of the few strongly bipartisan actions in the Senate before this session ends and, for our Colombian friends who know how important it is, this action would be unforgettable.

I ask unanimous consent that a copy of the Wall Street Journal op-ed piece to which I referred as part of my remarks be printed in the RECORD.

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

[From the Wall Street Journal, Sept. 8, 2008]

#### LATIN AMERICA WANTS FREE TRADE

(By Mary Anastasia O'Grady)

Of the two U.S. presidential candidates, one promises to expand international trading opportunities for American producers and consumers. The other pledges to raise the barriers that Americans already face in global commerce.

For Latin America, this is the single most important policy issue in the campaign. If Republican candidate John McCain wins, he says he will lead the Western Hemisphere toward freer trade. Conversely, Democratic candidate Barack Obama has promised that he will craft a U.S. trade policy of greater protectionism against our Latin neighbors. The former agenda will advance regional economic integration, the latter will further Latin American isolation.

Anyone who has read 20th-century history knows the seriousness of this policy divide. The last time Washington adopted a protectionist stance toward our southern neighbors was in 1930, when Congress passed the Smoot-Hawley tariffs. It took more than 50 years to even begin to climb out of that hole.

Many economists blame Smoot-Hawley for the depths of the U.S. depression. But Latin Americans have suffered even more over a longer period. Their leaders chose to retaliate at the time with their own protectionist tariffs, but the damage didn't end there.

In his 1995 book "Crisis and Reform in Latin America," UCLA professor Sebastian Edwards writes that though there was a brief period of liberalization in Argentina, Brazil and Chile in the late 1930s, it didn't last long. Adverse conditions brought about by World War II prompted the region's policy makers to restore tariffs, in the hope that protectionism would stimulate economic development.

"By the late 1940s and early 1950s," writes Mr. Edwards, "protectionist policies based on import substitution were well entrenched and constituted, by far, the dominant perspective." The U.N.'s Economic Commission on Latin American and the Caribbean, he adds, provided the "intellectual underpinning for the protectionist position."

Protectionism made a mess out of the region, and not only because spiraling tariffs and nontariff barriers blocked imports and destroyed the export sector. They also provoked an intellectual isolation as the infor-

mation and new ideas that flow with trade dried up, along with consumer choice and competition. This had a deleterious effect on politics too, as closed economies spawned powerful interests which seized not only economic but political control and grew entrenched.

According to Mr. Edwards, it was only in the late 1980s and early 1990s that U.S. and Latin leadership (not counting Chile, which liberalized earlier) began to recognize the twin unintended consequences of this model—poverty and instability—and decided to act. "Tariffs were drastically slashed, many countries completely eliminated import licenses and prohibitions and several countries began negotiating free trade agreements with the United States."

Mexico and Canada signed the North American Free Trade Agreement with the U.S. in 1993, but the regional opening process continued well into this decade. A U.S.-Chile bilateral agreement kicked off in 2004. Five Central American countries and the Dominican Republic signed their own FTA (CAFTA) with the U.S. in 2006. Peru's FTA with the U.S. was finalized in 2007. Colombia and Panama have signed agreements with the U.S. that are awaiting ratification by the U.S. Congress.

It is true that unilateral opening would have been a superior path. Yet for a variety of reasons—not the least the political attraction of reciprocity—FTAs have become fashionable. And there is no doubt that the agreements, warts and all, have aided in the process of dismantling trade barriers, strengthening the rule of law, and moving the region in the direction of democratic capitalism.

Mr. McCain wants the U.S. to continue its leadership role in opening markets in the region. He favors ratification of the Colombia and Panama FTAs, which the Democratic-controlled Congress is blocking. He also wants to lift the U.S.'s 54-cent tariff on Brazilian ethanol, and he wants to preserve NAFTA.

Mr. Obama would reverse regional trade progress. He supports House Speaker Nancy Pelosi's opposition to the Colombia FTA, even though it will open new markets for U.S. exporters. He promises to "stand firm" against pacts like CAFTA and proposes to force a renegotiation of NAFTA, which is likely to disrupt North American supply chains and damage the U.S. economy. By heaping new labor and environmental regulations on our trading partners, his "fair trade" proposal will raise costs for our trading partners and reduce their competitiveness.

Perhaps worst of all, his antitrade bias will signal the region that protectionism is back in style in the U.S., and encourage new trade wars. No good can come from that, for the U.S. or for Latin America.

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

The PRESIDING OFFICER. (Mr. SANDERS). Without objection, it is so ordered.

#### CONCLUSION OF MORNING BUSINESS

Mr. REID. Mr. President, I ask unanimous consent that we now close morning business.

The PRESIDING OFFICER. Morning business is closed.

# NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2009—MOTION TO PROCEED

The PRESIDING OFFICER. Under the previous order, the Senate will resume consideration of the motion to proceed to S. 3001, which the clerk will report by title.

The bill clerk read as follows:

Motion to proceed to the bill (S. 3001) to authorize appropriations for fiscal year 2009 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. REID. Mr. President, I ask unanimous consent that all postcloture time be considered expired and that the Senate now proceed to the consideration of Calendar No. 732, which is S. 3001, the Defense Department authorization bill, and that once the bill is reported, it be considered under the following limitations: that the only first-degree amendments in order be those that are germane to S. 3001 or to H.R. 5658, and that the first-degree amendments be subject to second-degree amendments which are germane to the amendment to which it is offered; that there be up to 10 additional amendments which are relevant to S. 3001 or to H.R. 5658 and have been agreed upon by the leaders—the leaders being Senators MCCONNELL and REID—with up to 5 amendments per side; that those 10 relevant amendments also be subject to second-degree amendments which would be relevant to the first-degree amendment to which offered; that upon the disposition of all amendments, the bill be read a third time and the Senate vote on passage of the bill; that upon passage, it then be in order for the Senate to consider en bloc the following calendar items: Nos. 733, 734, and 735; that all after the enacting clause of each bill be stricken and the following divisions of S. 3001, as passed by the Senate, be inserted as follows: Division A: S. 3002; Division B: S. 3003; Division C: S. 3004; that these bills be read a third time, passed, and the motions to reconsider be laid upon the table en bloc; further, that these items appear separately in the RECORD; provided further that the Senate then proceed to the consideration of Calendar No. 758, H.R. 5658, the House companion; that all after the enacting clause be stricken and the text of S. 3001, as amended and passed by the Senate, be inserted in lieu thereof; the bill be read a third time, passed, and the motion to reconsider be laid upon the table; that the title amendment, which is at the desk, be considered and agreed to; that upon passage of H.R. 5658, as amended, the Senate insist on its amendments, request a conference with the House on

the disagreeing votes of the two Houses, and the Chair be authorized to appoint conferees on the part of the Senate, with the above occurring without further intervening action or debate, and that no points of order be considered waived by virtue of this agreement.

The PRESIDING OFFICER. Is there objection?

Mr. KYL. Mr. President, I object, and if I could just take a moment to explain why. As we have been discussing, we would like to proceed to the bill under a regular order. In discussing the proposed amendments we have ready to offer, I think it is clear they are relevant, if not germane. In fact, the first few we have suggested I know are germane.

I think we would be better served to just begin the process of bringing up amendments and having debate and votes on those amendments than trying to get the approvals that would be necessary to agree to this rather cosmic unanimous consent request. That is why we object to it at this time, but I assure the majority leader that based upon the amendments we have already indicated we wish to bring forth, I would hope there would be a clear understanding of good faith on both sides that that is the way we intend to proceed. I do appreciate that the majority leader then would presumably set up a parliamentary procedure by which the majority would have to approve the offering of any Republican amendment thereafter, so the majority certainly would be protected in doing that. It would still be our intention to bring forth the right kind of amendments to deal with this legislation.

The PRESIDING OFFICER. Objection is heard.

Mr. REID. Mr. President, maybe we can do indirectly what we can't do directly. That is, we are going to go through the procedure here to—and when I finish the procedural issues I am going to bring before the Senate, then the two managers, Senator LEVIN and Senator WARNER, will be, in effect, the gatekeepers. They won't be under the control of Senator MCCONNELL or Senator REID. These two very professional, experienced legislators will move through these amendments as quickly as they can. We all relish the time we used to move to this bill and other bills to have an old-fashioned legislative battle. I don't think—with all that is going on around the country today, including the Presidential election being in effect and all the other things going on politically—we can do that.

I hope, as I said, we can do indirectly what we can't do directly. It would be good for the country if we could finish this bill this week. It is so important. It has extremely important elements in it, including a pay raise for our troops, a good pay raise for our troops. This bill has things that are done to improve our military that only these two managers of this bill could lead based

on their experience. I believe I am right when I say I think this has been—this is the 30th bill Senators LEVIN and WARNER have worked on together, the 30th bill. It would be a shame, as Senator WARNER leaves this great career in the Senate, that in his final year we don't do something that is as much of his legislative history as anything he has done in his career, and that is the Defense authorization bill. So I hope for his sake, the Senate's sake, and the country's sake, we can complete this legislation sometime this week.

# NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2009

Mr. President, I ask unanimous consent that all postcloture time be considered expired and the Senate now proceed to the consideration of S. 3001.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The clerk will report.

The bill clerk read as follows:

A bill (S. 3001) to authorize appropriations for fiscal year 2009 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes.

AMENDMENT NO. 5290

Mr. REID. Mr. President, I have an amendment at the desk and I ask for its consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Nevada [Mr. REID] proposes an amendment numbered 5290.

Mr. REID. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

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

The amendment is as follows:

The provision of this bill shall become effective in 5 days upon enactment.

Mr. REID. Mr. President, I ask for the yeas and nays on that amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 5291 TO AMENDMENT NO. 5290

Mr. REID. Mr. President, I have a second-degree amendment at the desk and I ask for its consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Nevada [Mr. REID] proposes an amendment numbered 5291 to amendment No. 5290.

Mr. REID. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

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

The amendment is as follows:

In the amendment strike "5" and insert "4".

MOTION TO RECOMMIT

Mr. REID. Mr. President, I now move to recommit the bill to the Armed