

EXTENSIONS OF REMARKS

KODAK'S DIFFICULTIES REVEAL JAPAN'S TRADE BARRIERS

HON. PHIL ENGLISH

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 29, 1997

Mr. ENGLISH of Pennsylvania. Mr. Speaker, as the Japanese Government continues to systematically deny Japanese consumers fair and competitive access to America's Eastman Kodak Company's film and paper products, it is critical to maintain pressure on the administration to resolve this case. This case has far-reaching ramifications for our Nation's export potential. With that in mind, I respectfully submit the following article outlining the importance of a positive resolution of this case for my home State of Pennsylvania.

[From the Harrisburg Patriot News, Oct. 17, 1997]

KODAK'S DIFFICULTIES REVEAL JAPAN'S TRADE BARRIERS

(By Clifford L. Jones)

In the current and continuing congressional debate over foreign trade, the issue foremost in everyone's mind is the assurance that as trade barriers fall, they must fall equally for every trading partner. American workers, American companies are not afraid of competition, but we must insist on fairness in foreign markets.

Unfortunately, one of America's long-time trading partners continues to stick its thumb in the eye of American business. Japan continues to insist on tilting the playing field in their favor. That practice must be brought to an end, if not by Japan then mandated by enforcement actions by the World Trade Organization. And, if the World Trade Organization refuses to act in the face of blatant disregard for fairness in the marketplace, then America must rethink its actions in trade matters. In a few months, the World Trade Organization, the international arbiter of free and fair trading, is expected to settle a dispute that could affect every family in Pennsylvania.

The United States government has charged the Japanese government with systematic denial of fair and competitive access to Japanese consumers by America's Eastman Kodak Company.

Although this case involves photographic film and paper, it could just as easily have been brought on behalf of chemicals, telecommunications, agriculture or medical technology. There is a growing list of American industries thwarted by Japan's regulations which effectively protect Japanese business from foreign competition.

This case is important to all Americans, not just for Kodak employees, because exports are increasingly vital to our nation's economic well-being. By expanding sales of American products overseas, we create new jobs, higher incomes and a better standard of living at home. If the United States wins this case, other companies, including many in Pennsylvania, should find it easier to enter the Japanese market.

The United States has brought a fundamental challenge to the Japanese way of doing business. For 30 years, Japan has

sought the benefits of lower tariffs to create new overseas markets for its own goods while firmly establishing restrictions on the entry of American products into its marketplace. For three decades, through three rounds of international negotiations, the Japanese government has promised and, yet, refused to eliminate major trade barriers.

It has replaced formal trade barriers with a complex series of laws and regulations. In fact, after the first round of negotiations in 1967, the Japanese Cabinet stated that it would be a "basic necessity" to protect domestic industry from foreign competition.

Kodak's on-going problems with marketing in Japan are indicators of the difficulties encountered by most U.S. industries as they attempt to compete fairly in Japan. In the last three decades Kodak has invested significant resources in the Japanese market and yet Kodak has managed to secure a market share nowhere near what it is in every other market in the free world.

Something, quite obviously, is wrong.

Kodak's market share is not the result of Japanese preference for domestic brands. Most Japanese consumers simply are unable to find Kodak products in stores. Unlike Japanese makers of photographic paper and film with totally free and fair access to the U.S. market, Kodak is able to reach only a small percentage of the market in Japan.

Unbelievably, Japan has consistently refused to even discuss this situation with the United States, one of its staunchest allies.

Common sense tells us that if trade barriers fall, foreign firms should capture a larger share of the market. In other countries when governments have honored their commitments, to free trade, Kodak's share has risen. This has not happened in Japan.

The Kodak case is also important to our relationship with such East Asian nations as China, Taiwan and South Korea, all of whom are following to some degree the Japanese model of export-led growth in combination with a protected domestic market.

If the United States case is successful, it will send a firm warning to other nations that they, too, must honor their commitments to free trade—or suffer the consequences. Recognizing the historic nature of the case the European Union is supporting the United States before the World Trade Organization.

I believe that the evidence supporting Kodak is overwhelming and there is only one reasonable conclusion. Let's hope for the sake of U.S. industry and for American workers that the World Trade Organization arrives at that conclusion. Such a determination will have the additional benefit of calming many of the congressional fears over proposals for continuing America's and the world's march to free trade.

CONGRATULATIONS TO THE VALPARAISO COMMUNITY SCHOOL SYSTEM

HON. PETER J. VISCLOSKY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 29, 1997

Mr. VISCLOSKY. Mr. Speaker, it is a great privilege to take this opportunity to congratulate

the Valparaiso Community School System. Valparaiso placed in the top 10 percent of 15,893 school systems nationwide, and it was named a 1997 "What Parents Want" award winner by SchoolMatch, an Ohio-based school selection consulting firm. I would especially like to recognize Valparaiso Community School System's superintendent, Michael Benway, and its director of secondary education, Glen Gambel, for their significant roles in this distinguished achievement.

The "What Parents Want" award was established 6 years ago by school administrators concerned about negative publicity surrounding public education. In making its decision, SchoolMatch uses information from county and State auditors, State taxing authorities, and State boards of education. To assess a school's qualifications, the firm uses a checklist of what parents look for when deciding which school system is best for their children. The seven-point list includes: competitiveness; academically solid, but not intimidating, testing; accreditation; recognition by a national foundation or by the U.S. Department of Education; competitive teacher salaries; above-average instructional expenditures; above-average library and media expenditures; and small class size.

The award is especially meaningful for the Valparaiso Community School System since SchoolMatch is a prominent organization that performs its own extensive research to determine which schools meet the above criteria.

With families increasingly having to relocate for job related purposes, SchoolMatch provides an invaluable service to parents with school-age children. SchoolMatch is used by a number of large corporations as they help relocating employees match their expectations with a school system in the area of relocation. The program has gained national recognition, as more than 48,000 parents contacted SchoolMatch's headquarters in Columbus, OH, last year.

Mr. Speaker, I ask you and my other distinguished colleagues to join me in commending the Valparaiso Community School System on its receipt of this prestigious award. The dedication of Valparaiso's teachers and administrators to the education of citizens in the Valparaiso community is truly inspirational.

CHINA'S NUCLEAR NONPROLIFERATION POLICY

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 29, 1997

Mr. STARK. Mr. Speaker, I rise today to commend my colleagues, Mr. MARKEY, Mr. GILMAN, and Mr. COX, for their bipartisan efforts to shed light on China's pending nuclear nonproliferation certification in this morning's Washington Post. These distinguished gentlemen present us with the facts on China's most recent and egregious nonproliferation violations. Now it's up to President Clinton to face

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