

Mr. REGULA. Mr. Speaker, I rise today to discuss the continued threat that the surge of low priced steel imports is having on our domestic steel industry and on the jobs of steel workers, their families and the communities in which they live.

According to the President's steel report released on January 7, we have already lost 10,000 steel worker jobs in the United States.

This import crisis is having a dramatic effect on the families that are directly affected by these job losses, but the story does not end there. Many more jobs are being lost as suppliers cut back and businesses in the affected communities must cut back on employment because demand for their products and services is no longer there.

We are told by the administration, and I quote from the January 7 report: "Free and fair rules-based trade is essential for both global economic recovery and for U.S. prosperity." I emphasize "fair rule-based trade."

But what have we seen since July 1997 when the Asian financial crisis began and the Russian economic crisis flared up has certainly not been "fair rules-based trade." At that time we already had worldwide over-capacity in steel production because many nations had subsidized the building of new steel plants that had no economic basis. Then demand in these nations collapsed as their currencies and the economy collapsed.

In order to obtain hard currency, foreign companies began shipping to the world's most open market, the United States. The oversupply of steel products on the world market flowed into the United States, often at prices that had no relation to actual production costs.

For example, steel mill imports into the United States jumped almost 33 percent in 1998 over imports in 1997, and it should be noted that 1997 was already a record year for imports.

Steel mill product from Japan surged 163 percent in 1998 over 1997, with hot rolled steel products from Japan increasing an astronomical 386 percent in 1998 over 1997. Steel mill product imports from Russia were up 58 percent and on and on.

These figures do not paint a picture of "fair rules-based trade," as the President called it, with regard to steel imports.

It is time that the administration truly enforce fair trade in this Nation with regard to steel imports. It is also time that we examine our overall trade policy.

As we provide nations in financial and economic turmoil with international monetary fund aid, should these nations be allowed to export their way out of their troubles, thereby threatening a basic industry in the United States? Why should an industry, such as the steel industry, which has modernized and downsized to become world competitive, now be put at risk because of outside factors over which it has no control?

Do we want to become a nation without any basic manufacturing capability, totally dependent on foreign supply of things such as steel? These are questions that we must address and which have been brought to the forefront by the steel import crisis.

I continue to urge the administration to take immediate action under existing authority. I refer to Section 201 of the 1974 Trade Act, which allows the President to respond to injurious import surges. He now has the authority to impose tariffs or quotas if the International Trade Commission finds injury.

Section 201 is the appropriate current law remedy accepted under our international obligations to stop import surges that injure.

One problem that exists with Section 201 is that the injury standard is high, higher than required by the World Trade Organization rules. Because the injury standard under current law is so high, Section 201 has not been the remedy of choice.

I have proposed legislation that would lower the injury standard that now exists in Section 201 to bring it into compliance with World Trade Organization rules. This would restore the effectiveness of Section 201 and make it a viable remedy against import surges.

With this change to Section 201, the administration could join with the Congress, industry and labor to rekindle the partnership that was so effective during the 1980's in rebuilding this vital industry, and come up with a solution to stop up fair imports.

Such a solution to the import crisis could be agreed to by all parties under a U.S. law that is in accordance with our international obligations. We could work together to ensure that no more jobs are lost and that we maintain a vital and strong domestic steel industry here in the United States.

SUPPORT THE VISCLOSKY-QUINN-KUCINICH-NEY STEEL BILL

The SPEAKER pro tempore. Under the Speaker's announced policy of January 19, 1999, the gentleman from Ohio (Mr. KUCINICH) is recognized during morning hour debates for 5 minutes.

Mr. KUCINICH. Mr. Speaker, we are here because the policy of this administration on international finance and trade is causing a crisis for American workers and industries.

The centerpiece of the administration's policy is to widen the trade deficit. They are depending on American consumers to continue spending record amounts to pull the rest of the world out of the severe recession it has plunged into. The rest of the world includes Russia, Thailand, Brazil and Mexico.

Many of these countries have witnessed a dramatic devaluation of their currencies, which makes their product very cheap when sold in the United States. And when the products are

flowing into the United States unfairly, underpriced to similar products made in America, the administration has chosen to allow the foreign product to undercut the American, and that is causing layoffs in many American industries, and it has reached a crisis level in steel.

There is no question that the U.S. trade deficit is growing at a rapid pace. The goods and services trade deficit grew nearly 54 percent last year over the preceding year, according to figures compiled by the Economic Policy Institute, to a level of \$170 billion.

Cheap foreign steel is flooding the American market. Last year, a record amount of foreign steel came to the United States. In the third quarter, 56 percent more foreign steel was brought to the United States than in the third quarter of the preceding year.

At the same time, American workers in industries affected by the foreign imports are losing their jobs. We are here today because the steel workers have been dramatically affected by the import of foreign steel made cheap by currency devaluations.

Ten thousand American steel workers have already lost their jobs. Steel workers are not losing their jobs because the American steel industry is inefficient. In fact, the American steel industry is the world's most efficient. The reason American steel workers are losing their jobs is that the price of foreign steel, though more inefficient, is so much cheaper due to the devaluation of the currencies of those countries.

Steel workers are not the only ones losing their jobs to cheap imports. According to the Economic Policy Institute, 249,000 workers, that is 249,000 American workers, lost their manufacturing jobs between March and December.

Americans should know there is a direct connection between the inflow of cheap foreign products reflected in a growing trade deficit and American job loss. This is already having and will continue to have a profound negative effect on the United States economy.

The Financial Times wrote in an editorial yesterday that the U.S. trade deficit is "unsustainable." Unsustainable because the record levels of consumer debt, combined with mounting American job loss and resulting loss of wages and benefits, will make it impossible for Americans to continue to spend record amounts on foreign products; unsustainable because the economic policies that the International Monetary Fund have imposed on Thailand, Brazil and others create austerity and depression, not growth that will continue into the future and benefit the citizens of those countries.

The administration is blind to this connection. In the President's recent report on steel, the administration proposes no comprehensive action to stem the inflow of foreign steel made cheap by currency devaluation.

In recent statements to Congressional committees, members of the administration have counseled that America stay the course and continue importing cheap foreign imports at record levels. But this policy is unsustainable. The U.S. cannot continue as an oasis of prosperity while the rest of the world experiences economic depression of a magnitude in some countries that greatly overshadows our own Great Depression of the 1930's.

The extent of the economic crisis around the world is so great that even if the United States doubles its record trade deficit, it will not be enough to pull the rest of the world out of its troubles, but it will be enough to send thousands and thousands more Americans out of work and send the United States into a recession.

That is why we are here today, Mr. Speaker, to step into the breach by proposing the Visclosky-Quinn-Kucinich-Ney steel quota bill. Our bill will impose limitations on the imports of cheap foreign steel at levels not to exceed the average volume of steel products that was imported monthly during the three years before the recent import surge began in July 1997. Our bill is the only action that will directly confront the major cause of layoffs in the steel industry. Our bill is America's best hope in averting an economic crisis of our own.

It is time to stand up for American steel workers. It is time to stand up for America's future. We cannot have a free nation if we let our manufacturing base fall apart, and that is what our trade policy is doing.

NO PARDON FOR POLLARD

The SPEAKER pro tempore. Under the Speaker's announced policy of January 19, 1999, the gentleman from Washington (Mr. NETHERCUTT) is recognized during morning hour debates for 5 minutes.

Mr. NETHERCUTT. Mr. Speaker, on January 19, I introduced House Concurrent Resolution No. 16, expressing the sense of Congress that Jonathan J. Pollard should serve his full sentence and not receive any presidential pardon for his crime of espionage.

Jonathan Pollard was a civilian employee at the Department of the Navy from September 1979 until November 1985. He had access to classified documents and information and began making those documents available to Israeli intelligence officers in 1984. When he was arrested, by his own estimate, Pollard had given the Israelis enough documents to fill some 360 cubic feet. In 1987, he pled guilty and was sentenced to life in prison.

The President has twice rejected release for Pollard, in 1994 and again in 1996. In fact, the White House press statement in 1996 found that, "The enormity of Mr. Pollard's offenses, his lack of remorse, the damage done to our national security and the need for

general deterrence in the continuing threat to national security that he posed made the original sentence imposed by the court warranted."

Of course, nothing has changed. Pollard remains unrepentant, and the damage to national security has not paled with the passage of time. But something must have changed, at least in the mind of the Clinton White House.

In October 1998 President Clinton acceded to the request of the Israeli prime minister to review Pollard's sentence. The answer should have been a polite but a firm "no." But, instead, the President agreed to a review.

On January 11, the relevant executive agencies were to report back on the virtues of releasing Pollard. Not surprisingly, the director of the CIA, the Secretary of State, the Secretary of Defense and the director of the FBI were unanimous in opposing any pardon for Pollard.

The position of the Department of Justice has been less clear. Attorney General Janet Reno has delayed in offering an opinion to the President in the case pending a meeting with the prominent Jewish figures who support Pollard's release. The AG's office could not confirm for me yesterday whether such a meeting had taken place, nor could they offer any date when any legal opinion on Pollard's release may be offered.

To me, this seems like a clear case for the Department of Justice. But apparently they require more extensive deliberations than our national security agencies are capable of providing.

But what deliberation is really needed? Press accounts have given us some indication of how damaging Pollard's betrayal really was. He didn't just give away intelligence estimates, he also betrayed sources and methods, the very capabilities that make sound intelligence estimates possible.

Revealing how our intelligence services learn secrets is extremely damaging, because it provides opportunities for our targets to hide assets and plant misinformation, negating the very capabilities we spend billions of taxpayer dollars over the years to develop and maintain.

Of course, Pollard is now claiming that he never intended to spy against the United States. He claims that his espionage efforts were motivated by a noble concern for the State of Israel and a desire to avoid a return of the Yom Kippur War.

He says, very charitably, that the money he was paid, more than \$50,000, did not motivate his spying, and that he intended to repay it all, and he suggests that because Israel is an ally of the United States, his sentence should be reduced, as if spying for a friend is a lesser evil than spying for an enemy.

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Of course, this logic also ignores the suggestions in the public record that much of what Pollard provided to

Israel may have ended up in the hands of the Soviet Union. Then there is the issue of his willingness to provide information to countries in addition to Israel.

It is important to point out that even though Pollard is now eligible for parole, he has not chosen to apply. All of the public deliberations on Pollard are occurring without his having even sought release.

The granting of pardons is a constitutional power reserved for the President of the United States, but that does not mean that Congress is obliged to sit by quietly as this decision is made. Two weeks ago, 60 Senators from the United States Senate sent a letter to the President urging that Pollard not be set free. House Concurrent Resolution 16 similarly will allow the House of Representatives to go on record opposing any pardon, reprieve, or any other form of executive clemency for Mr. Pollard. The gentleman from Michigan (Mr. UPTON) has also introduced a resolution opposing a pardon, and I encourage all Members to join us as cosponsors of both resolutions. This betrayal of U.S. national security must not be rewarded with a presidential pardon.

Last week, two Americans were convicted of spying for East Germany throughout the 1970s and 1980s. Releasing Pollard now suggests that when the political price is right, we are willing to look the other way on espionage. Pollard's betrayal of U.S. national security must not be rewarded with a Presidential pardon and I hope Members will join as cosponsors to H. Con. Res. 16.

NO NEW INITIATIVES YIELDS EMPTY PROMISES

The SPEAKER pro tempore (Mr. BARRETT of Nebraska). Under the Speaker's announced policy of January 19, 1999, the gentleman from Ohio (Mr. TRAFICANT) is recognized during morning hour debates for 5 minutes.

Mr. TRAFICANT. Mr. Speaker, I have heard a lot of comments about this steel dumping issue, and it continues to amaze me how we debate this issue on a lot of sophisticated, philosophical grounds when it is basically a very simple issue. A number of foreign countries are invading our marketplace with illegal criminal trade practices.

The White House, it was rumored, was going to come out with a response and that response, they said, would include no new initiatives. Well, that rumor is true. The White House response includes absolutely no new initiatives.

So let us go over just briefly the old initiatives that we will, as diplomats and bureaucrats, sit down with the Japanese, the Russians, the Brazilians, the South Koreans, and we will ask them to please stop violating our laws. We are going to ask them to make another promise, another promise. And I can remember Richard Nixon and every President up to and including President Clinton who threatened Japan