

COMMITTEE ON COMMERCE, SCIENCE, AND
TRANSPORTATION

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet on Tuesday, December 13, 2005, at 10:30 a.m., on the nominations of Deborah Taylor Tate and Michael Joseph Copps to be Federal Communications Commissioners.

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

PRIVILEGE OF THE FLOOR

Mr. GRASSLEY. Mr. President, I have a unanimous consent request, which I would like to make for Senator BAUCUS, that the following fellows and interns be granted floor privileges during the duration of the debate on this measure, Jonathan Coleman, Andreas Datsopoulos, and Holly Luck.

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

UNANIMOUS-CONSENT
AGREEMENT—S. 1932

Mr. FRIST. Mr. President, I ask unanimous consent that on Wednesday, following morning business, the Chair lay before the Senate a message from the House to accompany S. 1932, the deficit reduction bill. I further ask consent that the Senate disagree to the amendment of the House, request a conference with the House, and that the Chair be authorized to appoint conferees on the part of the Senate with the ratio of 11 to 9; provided further that before the Chair appoints conferees, the following motions to instruct be the only motions in order and that they be considered under the following limitations: Kennedy, higher education, 60 minutes equally divided; Baucus, Medicaid, 5 minutes equally divided; DeWine, trade, 60 minutes equally divided; Kohl, child support enforcement, 60 minutes equally divided; Carper, TANF, 5 minutes equally divided; Harkin, food stamps, 5 minutes equally divided; and Reed, LIHEAP, 60 minutes equally divided.

I further ask consent that no amendments be in order to the motions and the only debate in order under the statute other than debate on the motions be 30 minutes equally divided for general debate, divided between the chairman and ranking member; further, that all motions be debated on Tuesday and Wednesday and that the vote occur in relation to the motions in the stacked sequence at a time determined by the majority leader after consultation with the Democratic leader; finally, that any votes which do not occur prior to 1 p.m. on Wednesday be stacked to occur beginning at 3:30 on Thursday, December 15.

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

UNITED STATES-BAHRAIN FREE
TRADE AGREEMENT IMPLEMEN-
TATION ACT

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate

proceed to the immediate consideration of H.R. 4340, the Bahrain Free Trade Agreement. I ask unanimous consent that all time be yielded back.

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

The clerk will report the bill by title. The legislative clerk read as follows:

A bill (H.R. 4340) to implement the United States-Bahrain Free Trade Agreement.

There being no objection, the Senate proceed to consider the bill.

Mr. FRIST. Mr. President, the Bahrain free-trade agreement is a very important agreement that reflects in this post-9/11 environment the recommendation that had been made in terms of facilitating trade to nations such as Bahrain. I am delighted we were able to both debate it earlier today and ultimately pass this important free-trade agreement.

Mr. REID. Mr. President, I reluctantly oppose the legislation implementing the U.S.-Bahrain Free Trade Agreement. I have nothing against expanded trade with Bahrain, and I know that there is plenty in this FTA that is appealing to the U.S. business community. However, this agreement is another example of the misplaced priorities in the Bush administration's flawed trade policy, which can best be described as a policy of "fiddling while Rome is burning."

If you were to ask Americans to list their top trade priorities, I think they would suggest the following: dealing with the enormous trade deficit, on pace to exceed \$700 billion this year; addressing the rise of China; meeting the challenges of outsourcing and globalization; enforcing our existing agreements and rules for fair trade; and perhaps global negotiations in the World Trade Organization. A trade agreement with Bahrain would be nowhere near the top of the list; it probably would not even be on the list at all.

Yet, here we are, with the Bahrain FTA as the big trade item to close out the year. The U.S. has a trade deficit with China that is on pace to exceed \$200 billion this year—more than a quarter of the entire U.S. trade deficit. Last year, China passed the U.S. as the largest exporter of high-tech information technology and communications products. There is no doubt that the rise of China presents an extraordinary challenge to the United States. Yet, the Bush administration has essentially no policy dealing with China's currency manipulation and the accompanying U.S. indebtedness to the government of China, rampant piracy of U.S. intellectual property, WTO violations, forced technology transfer requirements, and industrial policy in areas critical to the U.S. like semiconductors and automobiles.

Instead, we have the Bahrain FTA, which involves .03 percent of total U.S. trade.

The Bush administration has proposed no policies in the face of outsourcing and the revolution of globalization to ensure that America keeps good-paying jobs and remains

the most competitive economy in the world. They basically say, "Don't Worry, Be Happy."

Instead, the U.S. uses the scarce resources of the U.S. Trade Representative to negotiate an FTA with Bahrain, which has an economy one-tenth-of-one percent the size of the U.S. economy.

When it comes to enforcing our current agreements, the Bush administration has been asleep at the wheel. While the Clinton administration brought on average 11 WTO cases per year to knock down foreign barriers to U.S. exports, the Bush administration has filed fewer than three cases per year.

Instead, they have focused their energies on negotiating an FTA which is so small that the independent ITC has stated, "the effect of the FTA on total U.S. exports is likely to be minimal."

Meanwhile, the WTO negotiations have delayed and floundered. Ironic may not be the right word, but it is a fitting testament to this administration's skewed priorities that Senators are stuck in Washington debating the Bahrain FTA this week, and so were not able to travel to Hong Kong to provide oversight on the WTO negotiations—which could have an impact thousands of times larger than a trade agreement with Bahrain.

Looking at the merits of the Bahrain FTA in isolation, let me note that I applaud the Government of Bahrain. It has been a good U.S. ally and is an important moderate Arab and Islamic country. I wish the people of Bahrain well and hope that the U.S. and Bahrain will continue to enjoy good relations, including trading relations. I also note that there are many good provisions in this agreement to ensure protection for U.S. intellectual property rights, to prevent expropriations of U.S. investments, to reduce barriers to U.S. exports, and to expand the access of U.S. service providers to Bahrain's market.

It is regrettable, though, that the Bush administration followed its flawed model in this FTA. In short, the interests of the business community are taken care of, but the interests of the average American are not. I certainly understand that many of the businesses that care about these FTAs make important contributions to the U.S. economy and are a critical source of employment, exports, and innovation. I value those contributions and think for the most part the chapters and provisions of the FTA important to the U.S. business community make sense. What I do have a problem with, however, is the fact that our trade agreements provide short shrift to areas of interest to human beings, including workers' rights and environmental protection.

When it comes to transparency in government regulation, telecommunications regulation, financial services regulation, other services regulation,

and e-commerce, we include provisions that force our trading partners to change their laws. When it comes to protection for intellectual property rights, our trade agreements have provisions that force our trading partners to adopt some of the highest levels of IP protection in the world. In each case, if a country violates the rules in the FTA, it is subject to trade sanctions.

Yet, when it comes to respect for the most basic, internationally-recognized worker rights and respect for the environment, our trade agreements say, "You don't need to change your laws, just enforce whatever you have." If our trading partners violate even this weak rule, then they pay a fine; and the fine gets turned around and given right back to them. Somehow, trade sanctions imposed to vindicate the interests of business are just "tough enforcement," but trade sanctions for worker rights or the environment are "protectionism."

Worse, our FTAs would allow a country to weaken its laws related to workers' rights and the environment, and the United States would have absolutely no effective recourse. If Bahrain turns around and allows child labor, or turns around and prohibits its guest workers in export industries from joining unions, then the best the U.S. can do is seek consultations with Bahrain. This is a step back from what the Clinton administration negotiated, which would have allowed the U.S. to pursue full dispute settlement on all of the labor provisions in the FTA. It is also a step back from existing U.S. trade preferences programs, which allow the U.S. to impose sanctions on countries that are not adequately protecting basic workers rights.

What is it about worker rights and environmental protection that warrants this disparate treatment? The same people who argue that these provisions do not belong in trade agreements bemoan U.S. labor standards and environmental rules, arguing that they hurt U.S. competitiveness and add to our trade deficit. It is absurd and dishonest to say on the one hand that these rules affect competition, and then on the other that they do not belong in an agreement that is designed to set the terms of competition.

I want to take a moment to acknowledge the good work done by Democrats in the other chamber, who pushed and pushed and got Bahrain to agree to make important reforms to its labor laws to bring them into conformity with internationally-recognized standards. And, to its credit, USTR agreed to monitor Bahrain's implementation and enforcement of these changes as part of the FTA. I applaud the efforts of these congressmen. Their hard work on this and other FTAs should shame anyone who has tried to discredit their cause by calling it protectionist or xenophobic. I regret that I will not be joining them in support of this agreement, however. The bottom line is that

this agreement does not contain binding, enforceable rules that treat respect for workers' rights and the environment on the same footing as respect for corporate interests, so I will oppose it.

Separately, I want to address Bahrain's boycott against Israel. For decades now, the United States has had a policy to oppose the Arab League boycott against Israel. There is an entire office in the Department of Commerce tasked with implementing this anti-boycott policy. Congress has also directed USTR to "vigorously oppose" WTO admission for countries that engage in the boycott. In my view, it is an implicit corollary of this latter rule that the U.S. should not enter into bilateral trade agreements with countries that participate in the boycott.

Bahrain continues to participate in the boycott, however. To its credit, Bahrain has terminated participation in the secondary and tertiary aspects of the boycott. And, Bahrain has stated in a letter to USTR that "the Kingdom of Bahrain recognizes the need to dismantle the primary boycott of Israel and is beginning efforts to achieve that goal." That said, it is worth noting that even the primary boycott can hurt U.S. producers. The primary boycott prohibits imports with Israeli content. So, U.S. companies that use Israeli inputs could be barred from exporting a mostly U.S.-made product to Bahrain.

USTR and supporters of this agreement argue that the quoted statement constitutes a binding commitment by Bahrain to eliminate the primary boycott. I hope they are correct, but I am not so sure. First, the lower house of Bahrain's parliament—the only democratically elected body in Bahrain's national government—recently voted resoundingly to keep the boycott in place. Second, it is not as clear as I would like that the statement at issue has the character of a legal obligation rather than a statement of unilateral intent. While I hope that Bahrain has officially committed itself to eliminating the primary boycott against Israel once and for all, there is certainly no way for the U.S. to bring an enforcement action against Bahrain if it fails to do so.

I think the antiboycott policy we have had in place for decades now is the correct one. We should not be entering into trade agreements—whether bilaterally or through the WTO—with countries that enforce the boycott against Israel—primary, secondary or tertiary. It is disturbing to me that the Bush administration has been quietly moving away from this policy—here in the FTA today, as well as in its support for Saudi Arabia's WTO accession this week.

The PRESIDING OFFICER. The question is on the third reading and passage of the bill.

The bill (H.R. 4340) was ordered to a third reading, was read the third time, and passed.

Mr. FRIST. I ask unanimous consent that the motion to reconsider be laid

upon the table, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EXECUTIVE CALENDAR

NOMINATIONS DISCHARGED

Mr. FRIST. As in executive session, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be discharged from further consideration of the following nominations and that they be placed on the calendar: Michael Copps, PN 1051; Deborah Tate, PN 1052.

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

AMENDING THE MORRIS K. UDALL SCHOLARSHIP AND EXCELLENCE IN NATIONAL ENVIRONMENTAL AND NATIVE AMERICAN PUBLIC POLICY ACT OF 1992

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. 2093, introduced earlier today.

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

The legislative clerk read as follows:

A bill (S. 2093) to amend the Morris K. Udall Scholarship and Excellence in National Environmental and Native American Public Policy Act of 1992 to provide funds for training in tribal leadership, management, and policy, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

Mr. MCCAIN. Mr. President, today I have introduced the Native Nations Leadership, Management, and Policy Act of 2005, originally introduced as a component of the Native American Omnibus Act of 2005. I am pleased to be joined by the vice chairman of the Senate Indian Affairs Committee, BYRON DORGAN, on this bill.

The Native Nations Leadership, Management, and Policy Act authorizes funding for leadership training, strategic and organizational development, and research and policy analysis to assist American Indian nations to achieve effective self-governance and sustainable economic development. This provision renews authorized funding for the Native Nations Institute programs for a period of 10 years, beginning in fiscal year 2007. Dedicated funding for NNI is necessary to ensure the continuation of these important programs without further draining funds from the Udall Foundation's other educational activities.

Mr. President, I look forward to working with my respective colleagues on both sides of the aisle to enact this legislation.

Mr. FRIST. Mr. President, I ask unanimous consent that the bill be read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.