

CONCLUSION OF MORNING
BUSINESS

The PRESIDING OFFICER. Morning business is now closed.

AFRICAN GROWTH AND
OPPORTUNITY ACT

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of H.R. 434, which the clerk will report.

The legislative assistant read as follows:

A bill (H.R. 434) to authorize a new trade and investment policy for sub-Saharan Africa.

Pending:

Lott (for ROTH/MOYNIHAN) amendment No. 2325, in the nature of a substitute.

Lott amendment No. 2332 (to amendment No. 2325), of a perfecting nature.

Lott amendment No. 2333 (to amendment No. 2332), of a perfecting nature.

Lott motion to commit with instructions (to amendment No. 2333), of a perfecting nature.

Lott amendment No. 2334 (to the instructions of the motion to commit), of a perfecting nature.

Lott (for ASHCROFT) amendment No. 2340 (to amendment No. 2334), to establish a Chief Agricultural Negotiator in the Office of the United States Trade Representative.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Mr. President, I rise to discuss the trade bill which is before us, and to register some disappointment with the path the leader has chosen to pursue because at this point the leader has indicated that he is not going to permit amendments to this trade bill. He has brought the bill to the floor, but he has what we call around here "filled the tree."

I am certain people who are listening to this out across the country must wonder what this language we use around here means. Very simply, it means the Republican leader has constructed this bill and amendments to the bill that preclude other Senators from offering amendments to this legislation. I regret that. I think it is a mistake.

One of the reasons we are bogged down around here is because the leader keeps doing this and keeps bringing up bills and keeps filling the tree. He keeps filing cloture and doesn't let the Senate legislate. I understand from time to time that may be necessary to move business in the Senate. But I think it has now happened so frequently that it is actually stopping business in the Senate. I believe that is a mistake.

Hopefully, this will change and we will be given an opportunity to offer amendments. I have several amendments that I believe should be considered by the body on this legislation. They are directly relevant to trade. In fact, I can't think of amendments any more relevant than the amendments I would like to offer.

The first amendment I would like considered is one to give direction to our trade negotiators as they go into the WTO Round in Seattle next month. We are just weeks away from our negotiators going into talks with all of the other countries that are involved in these discussions. We have not taken the opportunity to give direction to our trade negotiators on the policies they ought to pursue in these talks.

I believe it is very important that we set out what the goals should be. What should we ask our negotiators to have as their negotiating priorities?

I also would like to offer an amendment that would give trade adjustment assistance to farmers because right now they are left out. If they are adversely affected by a trade agreement that we reach, tough luck. They are left out. They are not helped. They ought to be included. Certainly, there ought to be restrictions as to how it would apply. But trade adjustment assistance ought to be provided for farmers. That is an amendment that I would like to offer to this bill. Right now I am precluded from doing so because, as I indicated, the Republican leader is denying other Senators the opportunity to present amendments.

I am willing to live by the will of this body. I am willing to offer an amendment and have votes taken. If I win, I win. If I lose, I lose. But I would at least like to have the opportunity to see where the will of the Senate lies on these questions. What are the negotiating instructions we give to our delegation to the WTO talks? Should farmers be included in trade adjustment assistance just as every other worker in this country is eligible? I believe the answer to those questions is a firm yes.

Let me first indicate that the reason I believe it is so critically important that we give instructions to our negotiators with respect to agriculture and what they do in terms of pursuing an agricultural policy in the WTO talks is because we are getting skunked in these discussions. We have been getting skunked and skunked repeatedly in these international trade talks.

Not so long ago I was visiting with the chief negotiator for the Europeans who told me: Senator, we believe we are in a trade war with the United States on agriculture. We believe at some point there will be a cease-fire in this conflict and we want to occupy the high ground. The high ground is world market share. Our European friends have engaged in a strategy and a plan to dominate world market share in agriculture. They have succeeded brilliantly. They have gone from being the largest importing region in the world to being one of the largest exporting regions in 20 years. They have done it the old-fashioned way: They have done it by buying these markets. They have spent, and spent profusely, in order to win this world agricultural trade battle.

Over the last 3 years, they have averaged \$44 billion a year in support for producers versus our \$6 billion. They have been outspending America 7 to 1 in terms of support for producers over the last 3 years. That is part of their strategy. That is part of their plan. They want to go out and buy these markets. The way they have done it is very interesting. They have developed a structure of agricultural support that pays their producers more within European boundaries to produce the same crops we produce, and then they take the surplus production that results and sell it for fire sale prices on the international market, driving prices down for them, driving down prices for us, driving down prices for everyone. That is also part of their strategy as they increase their market share—again, with the notion they are going to be in a position when a cease-fire is declared in this trade conflict to extract concessions. Oh, how well that strategy and plan has been working.

Their level of support is much higher than ours—3 times as high in some measures, 7 times as high under total support measurement, 60 times as high looking at world agricultural trade subsidy—and we are being outgunned. How do we win a fight when we are being outgunned on world agricultural export subsidy by 60 to 1? That is what the latest figures reveal. Europe accounts for almost 84 percent of all world agricultural trade subsidy; 84 percent. The United States, 1.4 percent. They are providing 60 times as much to go out and buy these markets as we are doing. Not surprisingly, they are winning.

Their trade negotiator said: Senator, we have a higher level of support than you do. In the last trade talks, instead of closing the gap, they were able to get equal percentage reductions from these unequal levels of support. Again, that is part of their strategy and plan. They don't want to see this gap closed. They don't want to see the United States go up and theirs go down. They don't want to see any movement in this relationship where they are now dominant. Instead, they want to secure equal percentage reductions from these unequal levels.

If they are able to do that, they will push us closer and closer to the brink of losing tens of thousands of farm families all across this country. That is why I believe it is critically important we offer negotiating objectives for agriculture to our delegation that will begin with the WTO Round in November.

If I were able to offer the amendment, I would offer the following negotiating objectives. The amendment I have crafted, and it is cosponsored by Senator GRASSLEY of Iowa, lays out seven principal negotiating objectives for agriculture:

No. 1, we should insist on the immediate elimination of all export subsidy

programs worldwide. Export subsidies only depress world market prices. I think this is something we could agree on in the Senate. It is not in our interests to have world agricultural export subsidies. It is certainly not in our interests when the Europeans are outspending the United States in this regard 60 to 1.

No. 2, we should insist that the European Union and others adopt domestic farm policies that force their producers to face world prices at the margin so they do not produce more than is needed for their domestic markets. Every economist I have spoken to has told me that is something that makes sense to them, that every country ought to face world market prices at the margin. It is one thing for countries to adopt domestic food security policies to ensure they can feed themselves; it is entirely another matter to subsidize excess production and then dump this surplus on the world market, depressing prices for everyone else.

No. 3, we should insist that the State trading enterprises, such as the Canadian Wheat Board, are disciplined so their actions are transparent and they do not provide de facto export subsidies.

No. 4, we should insist on the use of sound science when it comes to sanitary and phytosanitary restrictions. Too often these are used as hidden protectionist trade barriers. On genetically modified organisms—which is a very hot issue in Europe—we should insist that foreign markets be open to our products, but we should also recognize we can't force consumers to buy what they don't want. We have to give consumers the ability to make an informed choice on whether they want to buy these products without letting inflammatory labels be used as hidden trade barriers.

No. 5, we should insist that our trading partners immediately reduce their tariffs on our agricultural exports to levels that are no higher than ours and then further reduce these barriers.

No. 6, we should seek cooperative agricultural policies to avoid price-depressing surpluses or food shortages.

No. 7, we should strengthen dispute settlement and enforce existing commitments. We honor our commitments. All too often, other countries that are party to these agreements fail to follow what they have pledged to do.

I think these are seven commonsense negotiating objectives we ought to lay out for our delegation to the WTO talks. I hope at some point we are able to offer that amendment.

I have indicated I want to offer an amendment allowing our farmers to qualify for trade adjustment assistance. The amendment I want to offer—and again, this is cosponsored by Senator GRASSLEY—makes farmers eligible for trade adjustment assistance similar to what is provided to other workers in

other industries who suffer as a result of unfair imports. When imports cause layoffs in manufacturing industries, workers are eligible for trade adjustment assistance. But when imports cause the same kind of problem to farmers, they are not eligible because the test is job loss.

Of course, farmers don't work for a paycheck, they get their living by selling the commodities they produce. When they are faced with a circumstance in which they are unfairly impacted by trade imports, they lose their income but not their job. So when it comes to trade adjustment assistance, they are out of luck. They don't qualify for trade adjustment assistance. Farmers lose their income, and there is nothing to help them. In fact, this may be something we do to them ourselves. We may negotiate away certain sectors of our industry as we did in the so-called Canadian Free Trade Agreement. Yet we come back and do absolutely nothing for the sector of our economy that was traded away—in this case, farmers.

We have a case in my State where certain loopholes were negotiated in the Canadian Free Trade Agreement that allow Canadians to flood our market with Canadian durum. We can't send a bushel north, and yet there is nothing to help our farmers who were basically sold out in that negotiation. There is not one thing to be done to help them. We have lost hundreds of millions of dollars a year, and nothing is being done to provide assistance to those farmers. The least we could do is provide trade adjustments as we do for every other industry.

That is why I believe we must act on an amendment such as the one Senator GRASSLEY and I have crafted. Trade adjustment assistance for farmers can not only provide badly needed cash assistance to a devastated agricultural economy; it can reignite support for trade among many family farmers.

The Conrad-Grassley amendment would assist farmers who lost income because of unfair imports. Farmers would get a payment to compensate them for some, but not all, of the income they lose if increased imports affect commodity prices. The maximum any farmer would receive in any one year is \$10,000, and the maximum cost of this amendment would be \$100 million a year.

Under our amendment, the Secretary of Agriculture would decide whether the price of a commodity has dropped more than 20 percent and whether imports contributed importantly to this price drop. The "imports contributed importantly" standard is the same standard the Department of Labor uses to determine whether workers are eligible for trade adjustment assistance when they lose their jobs.

In order to be eligible for benefits under this program, farmers would

have to demonstrate their net farm income has declined from the previous years. This was a criticism leveled at the amendment in the Finance Committee, and we have added this provision to try to respond to that criticism.

Farmers would also need to meet with the USDA's Extension Service to plan how to adjust to the import competition. This adjustment could take the form of improving the efficiency of the operation or switching to different crops.

Training and employment benefits available to workers under trade adjustment assistance would also be available to farmers as an option. In most years, the program would have a very modest cost because very few commodities, if any, would be eligible. But in a year comparable to last year, when hog prices collapsed and wheat prices tumbled, the program would offer modest support to compensate farmers for the harmful effect of imports.

These are two amendments that I believe are totally relevant to the bill before us. One of these amendments I offered in the Finance Committee to this very bill. Now this legislation is on the floor and we are precluded from offering an amendment here. Again, I hope the leader will relent. I hope he will open it up so those of us who have serious amendments, amendments that deserve consideration, can at least get an up-or-down vote.

The second amendment I discussed, dealing with WTO negotiating objectives, I also think is directly relevant. Frankly, we are not going to have another chance to give instructions to our delegation before they go to the WTO Round. Before they commence these trade talks, we ought to have an opportunity to give negotiating guidelines to our negotiators. That is part of our responsibility, part of our role. If we do not have a chance here, we are not going to have a chance.

Finally, I have a third amendment on agricultural sanctions that I would hope could be considered.

I very much hope before this is done we will have a chance to offer amendments, amendments that are serious, that are relevant to trade, so our colleagues may pass judgment on them, so we may consider and vote on them.

I yield the floor.

The PRESIDING OFFICER. The Senator from Oklahoma.

NO NEW WAVE OF ISOLATIONISM

Mr. NICKLES. Mr. President, I am going to speak in a moment on the trade bill, but first I want to repudiate, or at least take issue with, some of the comments that have been made by the President and those of his National Security Adviser, Sandy Berger, when he made comments about the Senate becoming the new isolationists.