

the so-called land legacy this administration has been working on for some time. Apparently the President, wanting to leave some kind of a Teddy Roosevelt legacy, wants to change the legacy he has before he leaves in several months, to have it be some sort of a setting aside of public resources for singular uses. That doesn't mean a lot to people who live in States where Federal lands are not a big issue. My State of Wyoming is 50 percent owned by the Federal Government; Nevada is 85 percent owned by the Federal Government, and it varies in between.

The things that happen in those States economically and other ways are affected greatly by the management of those lands. We have seen a number of designs to set aside lands for uses different than have been in the law. The law now provides there will be wilderness set aside, or, indeed, that they be set aside for multiple use, which means for recreation, for hunting, for scenery, for grazing, for minerals, for all kinds of things under the multiple use concept.

When that is not available, then the economies of our States suffer greatly, as do the long-term upkeep and availability and accessibility of those lands for Americans. I happen to be chair of the National Park Subcommittee. The purpose of a park is to maintain resources and to provide an opportunity for its owners, the American people, to enjoy it. Now we find ourselves faced with a number of things being proposed that would limit access, limit the enjoyment of these lands: 40-million acres roadless in the national parks, for example, which has never been fully explained as to what it means. The Antiquities Act is being used to set aside lands only by action of the President. The Congress is not involved. BLM has set out a roadless plan without details; nobody knows exactly what that means. Does it mean you are not accessible to it, that there are no roads to get to it? Forest regulation—instead of having multiple uses, one of the concepts of the plan goes totally to ecology. No one knows exactly what that means.

We have proposals from the administration to put billions of dollars, over a \$1 billion each year, directly to purchase more Federal land. In the West, we think there is a substantial amount now.

We have a lot of things to do. I am confident we will get to them. I hope we do. I think we should. There is a philosophy, of course, that is different among Members of the Senate as to the role of the Federal Government, as to the size of the Federal Government, as to whether or not in an area of education, for example, there is flexibility to send the money, if you are going to support education, to the States and let them decide how it is used, or do you have the Federal Government bu-

reaucrazy in Washington tell people how it should be used. Frankly, whether it is schools or whether it is health care, whether it is highways, whatever, the needs in Wyoming are quite different than they are in New York and Pennsylvania. The school district in Meeteetse, WY has different needs than Pittsburgh. We ought to be able to recognize that and allow local people to be able to do that.

That is one of the big differences we have on this floor. The minority whip this morning talked about coming together to do things, a perfectly great idea. But as long as there is opposition to those concepts of letting States and counties participate, then it is very difficult to do that.

I am hopeful we will look forward. I am sure we will; that is the system. This is a great system. There are weaknesses and complaints, of course. But after all, this is the best system in the world. It is up to us to make it work.

I suggest the absence of quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

The PRESIDING OFFICER. In my capacity as the Senator from Arizona, I ask unanimous consent that the order for the quorum call be rescinded.

Without objection, it is so ordered.

RECESS

The PRESIDING OFFICER. In my capacity as the Senator from Arizona, I ask unanimous consent that the Senate stand in recess until 3 p.m. today.

Thereupon, the Senate, at 2:10 p.m., recessed until 3 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Ms. COLLINS].

The PRESIDING OFFICER. In my capacity as a Senator from the State of Maine, I suggest the absence of a quorum. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GRASSLEY. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. GRASSLEY. Madam President, regardless of the conditions for speaking in morning business, I ask unanimous consent to speak for 15 minutes.

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

PERMANENT NORMAL TRADING RELATIONS WITH CHINA

Mr. GRASSLEY. Madam President, there are a number of misconceptions about the upcoming vote in the Senate to grant China permanent normal trading relations or, as we often call it, PNTR. I will refer to it as normal trading relations.

Today, as chairman of the International Trade Subcommittee, and to inform my colleagues about the importance of this issue because I favor normal trading relations with China, I want to address two misunderstandings regarding China.

The first misconception is that a vote by the Senate on normal trading relations is a vote to admit China to the World Trade Organization. We do not have anything to do with China being in the World Trade Organization. It is a wrong misconception. Also, there is a belief if we do not approve PNTR, China will not be able to join the World Trade Organization. As a member of the World Trade Organization, we can say something about it through our representative there, but in the Senate our vote on PNTR will not affect China's ability to join the WTO.

I want to tell my colleagues what will be consequence of not approving permanent normal trading relations with China. The only thing that will happen if we vote against permanent normal trading relations with China is that American farmers and all of our businesses will miss out on lower tariff rates and the other market-access concessions China will grant to farmers and businesses in other countries.

Remember, China is not just a big chunk of land; China is 20 percent of the world's population. When we talk about doing business with China, we are not talking about doing business in East Podunk; we are talking about doing business with 20 percent of the people of this Earth.

Let me explain what the PNTR vote is really about. Congress has placed conditions on our trade with China. These stipulations are not consistent with the core World Trade Organization obligations for member countries to grant each other unconditional, most-favored-nation treatment. If we do not grant permanent normal trading relations with China, thus removing the Jackson-Vanik restrictions, and if, at the same time, China eventually becomes a World Trade Organization member—and this is going to happen sooner or later—then the World Trade Organization rules will require the United States to opt out of the tariff and market access concessions we helped negotiate.

It does not hurt China, it does not hurt any of the other 137 members of the World Trade Organization, but it is going to help us because these other countries will get market access. Other countries will gain and build market share in China while the United States is sitting on the sidelines. This will be at the expense of the American soybean farmers, at the expense of the American pork producers, at the expense of the American insurance companies, and other financial service providers. You can list any segment of the

American economy. I happen to list those that are very much related to the economy of my State. In the process, China—this country with 20 percent of the world's population—will not be hurt one bit, either.

Let's make it clear. Let's say somehow the Congress decides we do not want permanent normal trading relations with China, and China joins the World Trade Organization. China gets the benefit of that. All the other countries get the benefit of that. Let's say we decide to not complete the agreement with China. China is not going to be hurt one bit. In fact, hundreds of millions of Chinese consumers—20 percent of the world's population—will reap the benefits of free trade. Our farmers and businesses will surely suffer. This is not fair.

Since I am a Republican, I would like to quote a Democrat. Within the last week, before the Senate Agriculture Committee, Secretary of Agriculture Glickman said something very interesting. He said that for a couple decades we have been letting almost anything from China they want to export come into our country, with few restrictions. Yes, this open access has certainly helped our consumers. When we talk about the difficulty of getting our goods into China, we have to deal with state trading organizations, and with a lot of nontariff trade barriers. So it is quite obvious this agreement with China would be a win-win situation for the United States of America.

That is Secretary of Agriculture Glickman speaking not only about agriculture but speaking about all the nonagricultural manufacturing products and services that we can send to that country as a result of this agreement.

Remember, the first misconception I cited is that some believe if China does not get permanent normal trading relations, that it is going to keep China from joining the World Trade Organization. But if China does get in the World Trade Organization, she will have a fairly free trade relationship with 137 other countries. And then we will not have that same agreement with China. It will be a lose-lose situation for America.

The second misconception I want to address is that even if China does get into the World Trade Organization, it will not mean that much right away for American manufacturers and American agriculture.

That is something that could not be further from the truth because we are going to reap immediate benefits from China having normal trading relations with us. As well, with China being a member of the World Trade Organization, we will benefit from that relationship with China. Because we are also in the WTO, we will benefit from what happens with the increased trade that results from that.

The fact is, China is not only a large economy, it also happens to be a very dynamic economy. Because they have made economic reforms there, China's leaders have sparked an economic renewal that has led to growth rates of 7 to 10 percent every year of the last decade, easily dwarfing the rates of our own superheated economy in the United States.

China's economy has grown 7 to 10 percent. Quite frankly, I do not know whether they want to admit this, but China's economy has to grow at least 5 percent for them to make room for all the young people coming into the workforce.

Any way you look at it—the 5 percent they have to have to keep people employed or the 7 to 10 percent they have had in recent years—there is a lot of new prosperity in China. As a consequence of this, China is buying a great deal of everything, especially agriculture products.

But because about one-third of China's economic activity is generated and controlled by state-owned enterprises, China often manipulates its markets in a way that harms its trading partners. This agreement we have with China takes care of this problem. I would like to give you an example. It is one that is well known to the soybean farmers of my own State of Iowa.

In 1992, China soybean oil consumption shot up from about 750,000 metric tons to 1.7 million metric tons. Keeping pace with this increased new demand, soybean oil imports also more than doubled.

In order to keep up with surging domestic demand, China imported more soybeans and soybean meal, much of it from the United States, and, in fact, much of it from my State of Iowa—the leading producer of soybeans of the 50 States.

When China's soybean imports hit their peak in 1997, soybean meal in the United States was trading at an average base price of about \$240 per ton. This meant for a while farmers were getting a lot better price than they are now for soybeans, sometimes close to \$7 per bushel. Everyone was better off. China's consumers got what they wanted. American soybean growers prospered. Of course, this is the way trade is supposed to work.

But suddenly, Chinese state-run trading companies arbitrarily shut off imports of soybeans. Soybean meal that was selling in 1997 for \$240 per ton in the United States plummeted to \$125 per ton by January 1999. Soybeans selling for over \$7 per bushel in 1997, fell to just over \$4 per bushel by last summer.

So you can imagine what happened on the farm with the loss of that income. Combined with other factors, farmers were unable to pay their bills. Many farmers who were considered by their bankers to be well off are struggling to recover. In trade, what hap-

pens in China does make a difference in the United States of America, at least with our economy.

This shows what occurs when protectionism, when trade barriers, when tariffs, and when government-run controls take the place of the free market. Trade is distorted. Consumers abroad have less choice. And American family farmers suffer. It also demonstrates how important China's entry into the World Trade Organization is for America's farmers.

With a new bilateral market access agreement in place, and with meaningful protocol agreements that should soon be in place, China will not be able to use straight state trading enterprises to arbitrarily restrict and manipulate agriculture trade, and trade in any product, for that matter.

Once China has entered the World Trade Organization, they will have to do away with those organizations that violate the principles of a free market economy because they will have to in order to get into the World Trade Organization. For the first time in history, China would be bound by enforceable international trade rules.

When we trade with other countries, we export more than farm equipment, soybeans, computer chips, insurance, banking, a lot of services. We export part of our society and what our society stands for, the American values and ideals that can be communicated sometimes in commerce, that can never be communicated by American political leaders and by American diplomats. I think the exporting of our values and our ideals is very good. This is surely good for the World Trade Organization. It is good for China. It is good for the United States. I believe it is part of the process of keeping the peace.

We seldom get a real chance in Congress to make this a better and safer world in a very large way without expending American blood and deploying American military might around the world. This is one of those rare opportunities, through commerce and through a very peaceful approach, to do something for peace around the world.

I urge my colleagues to join me in supporting permanent normal trading relations with China.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GRASSLEY. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

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

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business Friday, March 3, 2000,