

at it, takes 85 percent of our surplus and dedicates it to a tax cut, leaving precious little for things which we value.

I just left a meeting of the heads of Illinois school boards. I think those are some of the best public servants in America, people who serve on school boards. It is a tough job. In Illinois, they are trying to make sure they serve the needs of the children. And, of course, they are responsible to the taxpayers. They have talked to me about the needs of education in my State, which would be the same in many other States: crumbling schools, areas where they need new schools, teachers needing training, schools that have a hookup now to the Internet but need new computers and new access to new technology. They are saying to me: Senator, if there is a surplus, for goodness' sake, can't we have a piece of this for education? Isn't that important to our Nation? I think it is. But if you take 85 percent of our surplus and spend it on tax cuts, it leaves so little to consider any money for education.

In the last campaign, both candidates talked about a prescription drug benefit under Medicare. We know what seniors are facing now in trying to pay for their drug bills. We have not had a conversation about this in 3 or 4 months. Since all of the hoopla of November 7, people have not talked about it. But President Bush does not leave the money aside to take care of that necessity, as far as I am concerned, for seniors and disabled people.

There are important programs in education, in health, and in national defense that will cost us as a nation. I think we have to be prepared to look at the surplus honestly, to make certain if there is a tax cut, it is fair, and to make certain that we do keep money aside for important national priorities.

Thank you, Mr. President.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

RECESS

The PRESIDING OFFICER. Under the previous order, the hour of 12:30 having arrived, the Senate will now stand in recess until the hour of 2:15 p.m.

Thereupon, at 12:42 p.m., the Senate recessed until 2:15 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. INHOFE).

EXECUTIVE SESSION

NOMINATION OF ROBERT B. ZOELLICK TO BE UNITED STATES TRADE REPRESENTATIVE

The PRESIDING OFFICER (Mr. INHOFE). Under the previous order, the Senate will now go into executive session and proceed to consideration of the nomination of Robert Zoellick which the clerk will report.

The assistant legislative clerk read the nomination of Robert B. Zoellick, of Virginia, to be United States Trade Representative, with the rank of Ambassador Extraordinary and Plenipotentiary.

The PRESIDING OFFICER. Under the previous order, the time for debate on the nomination shall be limited to 2 hours equally divided between the chairman, Mr. GRASSLEY, and the ranking member, Mr. BAUCUS.

The Senator from Montana.

Mr. BAUCUS. Mr. President, I yield myself such time as I may consume.

Today we are taking up the nomination of Robert Zoellick to be United States Trade Representative. Mr. Zoellick appeared before the Finance Committee exactly one week ago, and I am pleased that we have been able to schedule this vote so quickly. I support this nomination, and I urge my colleagues to join in supporting his confirmation at the end of this debate.

Trade has never been as important to the American economy as it is today. The import and export of goods and services is equivalent to 27 percent of America's gross domestic product, as compared to only 11 percent in 1970. Opening and expanding markets around the world for our manufactured goods, our agricultural commodities, and our services is critical for our economy to grow and for the creation of good quality jobs at home. Expanded trade is also critical for global economic growth.

For that reason, I was very pleased that President Bush, when announcing the selection of Robert Zoellick to be USTR, stressed that Mr. Zoellick would be a member of the Cabinet and would report directly to the President. Trade must have a prominent and equal place at the table when we make decisions about our Nation's global affairs.

Last year, the Congress and the Administration worked together on trade policy. We had a number of significant accomplishments. We passed a bill to extend permanent normal trade relations status to China, PNTR, once it accedes to the WTO, a monumental achievement. We passed legislation on expanding trade with Africa and enhancing CBI, the Caribbean Basin Initiative. We changed the structure of the Foreign Sales Corporation. And we passed a Miscellaneous Tariffs Act.

This year, we have a full trade agenda. We must build on the progress we made last year. We must make sure that we are not left behind as other nations make new trade arrangements with each other. Let me stress that our trade policy and our efforts at further trade liberalization must be carried out in the proper way.

Our first priority must be to rebuild the consensus on trade in this country. Further progress on trade liberalization and opening markets requires a political consensus, and that means a public consensus. We must demonstrate to all our citizens that trade and expanding markets contribute to their prosperity. We must address legitimate labor and environmental concerns in our trade agreements. We must aggressively enforce our trade laws. And we must ensure that we provide new opportunities to those who have been left behind by globalization.

One focus of discussion during Mr. Zoellick's confirmation hearing was whether it was appropriate to include labor and environmental issues in trade negotiations. In fact, this has dominated much of the trade policy debate over the past decade.

I must confess to a good deal of frustration. Trade-related labor and environmental issues were addressed in NAFTA, the North American Free Trade Agreement, and in the U.S.-Jordan FTA. The United States concluded a historic agreement with Cambodia in cooperation with the International Labor Organization that tied increased access to the United States market to Cambodian observance of basic labor rights. Our law on the Generalized System of Preferences, GSP, as well as the Caribbean Basin Initiative, CBI, also include labor provisions.

Labor and environmental issues were on track to be included in free trade agreements with Singapore and Chile that the Clinton Administration was negotiating in its closing days.

Labor and environmental issues have been discussed under the aegis of the world trading system. In the last several years, a number of important WTO disputes have directly involved environmental matters. The WTO has created a Committee on the Environment.

And the interest in labor and environment is not limited to the United States. In developing the European Union, the countries of Europe addressed these issues. As they work on their own free trade area, some of our neighbors in Latin America have also recognized the need to address labor and the environment.

In short, like it or not, environment and labor issues are firmly on the trade agenda. Unfortunately, at least in some circles, the debate in the United States goes on as if none of these things had happened, as if the issues will just go away if we do not talk about them.