

bolstered by this conflict, those within Japan who would choose to lean toward the other very successful nations within the Pacific rim. Those people are bolstered by this proposed imposition of a 100-percent tariff.

Mr. Speaker, this would be extraordinarily detrimental to U.S. interests in Asia.

One of the things that I think is a rather remarkable twist in the whole managed trade plan, the Clinton administration does not want the Japanese Government to manage auto makers. And yet this administration wants our Government, our Government to manage the Japanese automakers.

The primary sticking points that are driving us toward the job killing sanctions involve auto parts and auto dealerships. In auto parts, the administration wants the Japanese automakers to purchase certain amounts of United States parts.

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On auto dealerships, the administration wants the Japanese auto companies to require 1,200 of their dealers in Japan to sell United States cars.

Mr. Speaker, these demands do not involve Japanese Government action. They require action from Japanese businesses. It should not be surprising that the administration's proposed sanctions target the companies they want to coerce into an agreement. In fact, the administration is targeting Toyota and not Tokyo.

This proposed plan is, all the way around, a lose-lose-lose trade policy. If the administration wins in this showdown, it bolsters the popularity of trade policies that threaten our Nation's long-term trade and foreign policy interests. Imposing sanctions that clearly violate the World Trade Organization rules puts us in a position to lose the first major case before the World Trade Organization.

What does this do? Well, it plays into the hands of the Ross Perots and Pat Buchanans and Ralph Naders of the world, clearly undermining the potential for future multilateral trade agreements.

Mr. Speaker, our allies and trading partners around the world are unified in opposition to the unilateral sanctions policy because every government invested significant political capital in implementing a stronger multilateral trade regime which is designed to break down tariff barriers, improve the quality of life for working and consuming Americans and for peoples throughout the world in developing nations. Now the United States of America is proposing to ignore that newly established policy.

Don't overlook the possibility, Mr. Speaker, and it saddens me again to say this, but don't overlook the possibility that the administration's policy could, as I was saying a few minutes ago, spin out of control and set off a very destabilizing economic and political confrontation between the United

States and Japan and potential other nations.

In the words of my colleague, DAVID OBEY, and I quote:

I think most of us learned some time ago that if you don't like the President's position on a particular issue, you simply need to wait a few weeks.

Well, I have been holding out hope that that Obey quote was right on target. But as June 28 rapidly approaches, it appears that we are not taking the kind of positive shift that in this case I believe would help us greatly.

There is always hope, though, that the administration will come to its senses, focus on negotiating objectives that the Japanese Government can accomplish, and move away from these sector-by-sector specific negotiations to broad deregulation and antitrust enforcement in Japan, which we strongly support. We strongly support those kinds of things, so that we will have an opportunity to gain further access to that market.

That is why several years ago I followed the trade subcommittee chairman, the gentleman from Illinois [Mr. CRANE] by introducing legislation calling for a United States-Japan free trade agreement. We know that they have access to our market. We want to gain access to theirs, but increasing these tariffs is clearly wrong.

We cannot lose sight of the fact that the United States economy is healthier and better prepared to move into the 21st century than the Japanese economy is. We should not move away from the openness that has made us as a nation strong, even in an effort to move Japan toward a policy that will make it strong.

The President has just completed his meeting with Prime Minister Murayama, and we know that coming up our Trade Representative, Mr. Kantor, will be meeting with Mr. Hosokawa and we hope very much that this will be resolved.

But the threat of imposition of these sanctions is a wrong policy. It is a wrong way to do business. I know it is politically popular here in the United States, but we have to look at the fact that we are playing with fire, Mr. Speaker, and this policy creates the potential for very serious problems not only here in the United States and Japan but throughout the world.

My request, Mr. Speaker, is that this administration go back to the great free trade policies which have played a role in enhancing the economy of the United States, those policies being the breaking down of barriers within Latin America with implementation of the North American Free Trade Agreement, establishment of the WTO, and completion of the Uruguay round of the General Agreement on Tariffs and Trade, which among 124 countries is continuing to pursue the goals that were established in 1947 when the GATT went into place. That goal is very simply breaking down barriers.

My party and I believe this Nation strongly stands for freedom, the free

flow of goods, services, ideas. That is what this agreement among 124 nations is doing. And in China, exposure to Western values, getting our ideas into China, that is what will help the very serious human rights situation that exists there, and this President has wisely acknowledged that.

Mr. Speaker, let us not as a nation move backward to the days of Smoot-Hawley when we look at the issue of a global economy. We are 5 years away from the millennium. Clearly the United States of America is the world's only complete superpower. We face very serious problems throughout the world.

We have stood in a bipartisan way for free trade. This proposed policy is 180 degrees from that. I hope very much, Mr. Speaker, that this administration will change the policy and continue to work on other methods to break down barriers and create an opportunity for us to gain access to the consumer market in Japan.

RECESS

The SPEAKER pro tempore (Mr. SHAYS). Pursuant to clause 12 of rule I, the Chair declares the House in recess subject to the call of the Chair.

Accordingly (at 1 o'clock and 37 minutes p.m.), the House stood in recess subject to the call of the Chair.

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REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 1854, LEGISLATIVE BRANCH APPROPRIATIONS ACT, 1996

Mr. DIAZ-BALART, from the Committee on Rules, submitted a privileged report (Rept. No. 104-146) on the resolution (H. Res. 169) providing for consideration of the bill (H.R. 1854) making appropriations for the legislative branch for the fiscal year ending September 30, 1996, and for other purposes, which was referred to the House Calendar and ordered to be printed.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Member to revise and extend his remarks and include extraneous material:)

Mr. OWENS, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Member (at the request of Mr. DREIER) and to include extraneous matter:)

Mr. BAKER of California.

(The following Members (at the request of Mr. DIAZ-BALART) and to include extraneous matter:)