

## SENATE RESOLUTION 147

At the request of Mr. THURMOND, the name of the Senator from Louisiana [Mr. JOHNSTON] was added as a cosponsor of Senate Resolution 147, a resolution designating the weeks beginning September 24, 1995, and September 22, 1996, as "National Historically Black Colleges and Universities Week," and for other purposes.

SENATE RESOLUTION 155—RELATIVE TO UNITED STATES/JAPAN AVIATION DISPUTE

Mr. PRESSLER (for himself, Mr. STEVENS, Mr. BAUCUS, Mr. BOND, Mrs. BOXER, Mr. BROWN, Mr. BUMPERS, Mr. COCHRAN, Mrs. FEINSTEIN, Mr. GORTON, Mr. HOLLINGS, Mr. KERRY, Mr. LAUTENBERG, Mr. LOTT, Ms. MOSELEY-BRAUN, Mr. MURKOWSKI, Mr. PACKWOOD, Mr. PELL, Mr. PRYOR, Mr. ROTH, and Mr. SIMON) submitted the following resolution; which was referred to the Committee on Foreign Relations:

## S. RES. 155

Whereas the Governments of the United States and Japan entered into a bilateral aviation agreement in 1952 that has been modified periodically to reflect changes in the aviation relationship between the two countries;

Whereas in 1994 the total revenue value of passenger and freight traffic for United States air carriers between the United States and Japan was approximately \$6 billion;

Whereas the United States/Japan bilateral aviation agreement guarantees three U.S. carriers "beyond rights" that authorize them to fly into Japan, take on additional passengers and cargo, and then fly to another country;

Whereas the United States/Japan bilateral aviation agreement requires that, within 45 days of filing a notice with the Government of Japan, the Government of Japan must authorize United States air carriers to serve routes guaranteed by their "beyond rights";

Whereas United States air carriers have made substantial economic investment in reliance upon the expectation their rights under the United States/Japan bilateral aviation agreement would be honored by the Government of Japan;

Whereas the Government of Japan has violated the United States/Japan bilateral aviation agreement by preventing United States air carriers from serving routes clearly authorized by their "beyond rights"; and

Whereas the refusal by the Government of Japan to respect the terms of the United States/Japan bilateral aviation agreement is having severe repercussions on United States air carriers and, in general, customers of these United States air carriers: Now, therefore, be it

*Resolved*, That the Senate—

(1) calls upon the Government of Japan to honor and abide by the terms of the United States/Japan bilateral aviation agreement and immediately authorize United States air cargo and passenger carriers which have pending route requests relating to their "beyond rights" to immediately commence service on the requested routes;

(2) calls upon the President of the United States to identify strong and appropriate forms of countermeasures that could be

taken against the Government of Japan for its egregious violation of the United States/Japan bilateral aviation agreement; and

(3) calls upon the President of the United States to promptly impose against the Government of Japan whatever countermeasures are necessary and appropriate to ensure the Government of Japan abides by the terms of the United States/Japan bilateral aviation agreement.

Mr. PRESSLER. Mr. President, I rise today to submit a resolution expressing the concern of the United States Senate over the Government of Japan's violation of the bilateral aviation agreement between our two countries and its continued refusal to respect this agreement.

I am pleased so many of my colleagues from both sides of the aisle have joined me in submitting this resolution. It speaks volumes about the importance of the issue. In particular, I thank my good friend from Alaska, Senator STEVENS, who has worked very closely with me on this matter for some time.

As I said last month when I addressed the Senate at length on the United States/Japan aviation dispute, this issue is extraordinarily straightforward: Should the United States allow Japan to unilaterally deny United States carriers rights guaranteed those carriers by the United States/Japan bilateral aviation agreement? The clear and unequivocal answer is "no."

If we tolerate and accept this breach, it would establish a very dangerous precedent for U.S. international aviation relations. The Chinese among others are very carefully watching how the United States reacts in this dispute. The potential ramifications are much broader than aviation. We would send the nations of the world the message it is okay to pick and choose which provisions of agreements with the United States they want to abide by. That is a very dangerous message. One we must not send.

I was pleased when the Department of Transportation issued a show-cause order to the Government of Japan on June 19 in response to its violation of our air service agreement. The administration was absolutely correct in doing so. If anything, the show-cause order could have been issued sooner, but quite correctly, the administration was patient in its good faith talks to try to resolve this dispute. The Government of Japan left us with no other option.

A month has passed since the show-cause order was issued. The United States continues to negotiate in good faith with the Government of Japan. Unfortunately, the Government of Japan continues to refuse to honor the United States/Japan bilateral aviation agreement. I am not surprised because time is on the side of Japan. The longer Japan delays, the longer they prevent our carriers from competing against their inefficient carriers. Time is definitely on their side.

Mr. President, for today and the future, the economic stakes of this trade dispute are tremendous and therefore the administration must be prepared to impose strong countermeasures. We cannot negotiate indefinitely while our carriers suffer severe economic damages.

I cannot emphasize enough the significance of the economic stakes of the United States/Japan aviation dispute. For example, in 1994 the total revenue value of passenger and freight traffic for United States carriers between the United States and Japan was approximately \$6 billion. During that same year, the value of cargo shipped by air between the United States and Japan was roughly \$47 billion. This figure increases to approximately \$132 billion when one considers the value of cargo shipped by air between the United States and all Asian countries. These figures speak loudly for themselves.

These statistics are indeed impressive. Yet they do not tell the whole story. While both the current size and the potential for the future of our aviation market to Japan and beyond to other Asian countries are impressive, the figures cited earlier do not rise to their proper level of significance until one considers the more than \$65 billion trade deficit the United States currently has with Japan.

As chairman of the Senate Committee on Commerce, Science, and Transportation, all too often I see parochial fighting among U.S. air carriers undermine our country's international aviation policy. This infighting sets off a chain reaction on Capitol Hill. The political firestorm that results unfortunately often prevents the Secretary of Transportation from making the strongest possible international aviation agreements. Instead, we accept international agreements that may serve the best political interest of an administration, but that all too often fail to produce the greatest possible economic gain for our country. Foreign nations know this is our Achilles heel in international aviation negotiations. They know it and they exploit it.

Mr. President, this resolution puts the Senate on record in clear opposition to the actions of the Japanese Government. It is designed to place the administration in a position of political strength from which it can deal with this vitally important international aviation matter. I had hoped the show-cause order would serve as a wake-up call to the Government of Japan. Apparently it has not.

It is my hope this resolution will further drive home the message to the Government of Japan that international agreements are to be honored, not unilaterally disregarded. I urge all of my colleagues to support this resolution.