from Iowa 15 minutes now, which he can request, I know of no other alternative. The Senator might ask.

Mr. HARKIN. If my colleagues are not going to speak on the steel bill, then I will add the time to continue my remarks.

REDUCTION IN VOLUME STEEL IMPORTS—MOTION TO PROCEED

CLOTURE MOTION

The PRESIDING OFFICER. Under the previous order, the hour of 11:35 a.m. having arrived, there will now be 40 minutes of debate equally divided between the two leaders, or their designees, prior to the cloture vote on the motion to proceed to H.R. 975, which the clerk will report.

The legislative assistant read as follows:

CLOTURE MOTION

We the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the motion to proceed to Calendar No. 66, H.R. 975, the steel import limitation bill:

Trent Lott, Rick Santorum, Mike DeWine, Jesse Helms, Ted Stevens, Harry Reid, Byron Dorgan, Orrin Hatch, Jay Rockefeller, Robert C. Byrd, Robert Torricelli, Fritz Hollings, Pat Roberts, Arlen Specter, Richard Shelby, and Craig Thomas.

The PRESIDING OFFICER. Who yields time?

Mr. SANTORUM addressed the Chair.

The PRESIDING OFFICER. Who yields time to the Senator from Pennsylvania?

Mr. SANTORUM. Mr. President, I control the time in favor of the cloture motion.

The PRESIDING OFFICER. The Senator from Pennsylvania.

UNANIMOUS CONSENT REQUEST—S. 886

Mr. SANTORUM. Mr. President, I have a unanimous consent request from the leader.

I ask unanimous consent that notwithstanding rule XII, immediately following the 12:15 p.m. vote, Senator DODD be recognized to speak relative to the State Department authorization bill for up to 15 minutes. I further ask unanimous consent that following his remarks, the Senate stand in recess until 2:15 p.m. for the policy conferences. I also ask that at 2:15 p.m. today, there be 5 minutes equally divided for debate on the Feingold amendment, and following that debate, the Senate proceed to a vote on the Feingold amendment No. 692. I ask unanimous consent that following the vote, Senator HELMS be recognized to offer the managers' amendment and it be considered agreed to. Finally, I ask there be 5 minutes equally divided between the chairman and ranking member for closing remarks, that the bill then be read a third time, and the Senate proceed to a vote on passage of the bill, with no intervening action or debate.

The PRESIDING OFFICER. Is there objection?

Mr. BIDEN. Reserving the right to object, I ask the Senator to withhold that request. I know he was doing it as a favor. I appreciate it very much, but two things intervened in the last 5 minutes. I ask him to withhold that unanimous consent request for now.

Mr. SANTORUM. I withhold the request.

The PRESIDING OFFICER. Who yields time?

PRIVILEGE OF THE FLOOR

Mr. ROTH. Mr. President, I ask unanimous consent that Holly Vineyard, a Finance Committee detailee from the Department of Commerce, be granted floor privileges during the pendency of H.R. 975.

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

Mr. SANTORUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SANTORUM. I yield myself 3 minutes.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized for 3 minutes.

Mr. SANTORUM. Mr. President, I rise today in support of the cloture motion on the motion to proceed to the issue of steel quotas.

Senator ROCKEFELLER, who is my counterpart on the Democratic side leading this debate, and I are not people who have come to the floor of the Senate in favor of quotas. In fact, we think we are driven to this point as people who believe in free and fair trade, to ask the Senate to consider imposing quotas on the dumping of steel in this country by foreign nations.

It is remarkable what has occurred. It is unprecedented what has occurred in the steel industry over the past 2½ years. We have seen the level of steel rise, as far as imports into this country, two, three, four, five times the amount from some countries in the past 2½ years—and it continues.

One of the mantras I hear from the administration, which is lobbying against this bill, is that the crisis is over. I can say that in the case of China, for example, the world's largest producer, just in the first 4 months of this year their dumping was up 80 percent—their imports were up 80 percent.

So if the crisis is over, why then was the largest steel manufacturer dumping more steel into our market in the first 4 months of this year?

We have a continuing problem. What Senator ROCKEFELLER and I, and others who have joined us in this cause, are suggesting is something, frankly, that is very modest. We are suggesting a quota for 3 years to stop this outrageous and, I might add, illegal dumping.

We have won or are winning every single dumping case in the international arena. Every single case we are winning because of the illegality of what is being done by our foreign competitors in the steel industry.

What we are asking is not to go to a low rate of imports; what we are asking is to go to a rate of import into this country, a share of imports in the domestic market equal to a level that has only been reached four times in the past 30 years. So arguably we are setting the bar very high.

We are not going in to protect an industry that is inefficient or that is uncompetitive. The steel industry today is the most productive, competitive, and efficient steel industry in the world. Yet they are being wiped out by subsidized, illegally dumped steel, costing us thousands of good-paying jobs and thousands of families not going home with paychecks to support their children.

I am very hopeful that we can get a bipartisan vote today to at least move to proceed to the bill. That is all this vote does. It says let's put this issue front and center in the Senate, let's point out to our competitors around the globe that the Senate is not going to step aside and allow this illegal dumping to continue, that we are going to debate it, that we take this issue very seriously, and that we are not going to allow this kind of illegal action to continue.

I know my 3 minutes are up. I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. ROTH addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. I yield myself 3 minutes.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. Mr. President, I rise today to express my opposition to H.R. 975 and to urge my colleagues, in the strongest terms possible, to vote no on cloture. Let me explain why.

Our steel industry faces a serious challenge as a result of foreign competition. That challenge stems from the persistent overcapacity in the global steel industry that is the legacy of decades of foreign government interventionism.

The quota bill, however, does nothing to eliminate this overcapacity. What the quota bill does do is simply lock in a certain share of our market—the quota amount—for foreign imports at a vastly inflated price.

According to a study by the Institute for International Economics, this bill would raise steel import prices by about $29 a ton. This represents a windfall of $800 million to the lucky foreign producers who get their goods into the United States under the quota, with the price tag being paid by the American people.

While the bill does enrich certain foreign producers, it also poses a grave threat to our economy. For every 1 job in the steel industry, there are 40 jobs in the steel-using industries. These 40 workers manufacture autos, industrial machinery, kitchen appliances, and other products. All these jobs will be at risk as a result of the quota bill, because this legislation seeks arbitrary limits on the amount of steel coming

into our country. And the quotas apply regardless of domestic demand and regardless of whether the type of steel is even produced in the United States.

To make matters worse, this measure would actually help foreign companies that compete against American steel-using industries both in the United States and abroad. For instance, U.S. automakers would be forced to pay higher prices for steel than their foreign competitors. This would disadvantage American companies in our market and in the foreign markets in which they compete. The impact on jobs and on the economy could be severe.

This bill would also put us at risk of retaliation by our trading partners. Our farmers are well aware of this risk. That is why 21 leading agriculture groups signed a letter last week stating their strong opposition to this legislation. These include the American Farm Bureau Federation, the National Council of Farm Cooperatives, the National Association of Wheat Growers, the National Cattlemen's Beef Association, and others. As these groups understand all too well, passage of this legislation will threaten our access to foreign markets at a time when these markets are most needed for our businesses and our farmers.

If we decide to go down the path of quotas, we must also keep in mind that the price will ultimately be paid by the American consumer.

I yield myself 1 more minute.

By raising the average price of products made with steel, the quota constitutes an artificial tax on ordinary Americans regardless of wealth or income. Keep in mind that the tax will not be insignificant. According to the Institute of International Economics study, the bill will, at most, save 1,700 jobs in the steel industry but will do so at a cost to the economy of about $800,000 a job. For us to put such a burden on the American people is unconscionable.

With that said, let us not forget that the import surge the quotas are designed to address appears to be over. In fact, imports of all steel products for the first 4 months of this year were below the imports for the same period in 1997, well before the surge began.

I yield myself 30 seconds.

Let me address one last point.

For some of my colleagues, this may be seen as a free vote. I, like many, hope the President will have the courage to veto this legislation if it does pass. But we have to remember that the American people sent us to Congress to further their national interests. Let's not disappoint them.

I urge my colleagues to vote against cloture.

The PRESIDING OFFICER. Who yields time?

Mr. SANTORUM. Mr. President, I yield 4 minutes to the distinguished junior Senator from West Virginia, who has been a tremendous leader on this issue.

Mr. ROCKEFELLER. I thank my colleague from Pennsylvania, who equally has been a distinguished leader on this issue.

Mr. President, the previous speaker, my esteemed chairman of the Finance Committee, talked about voting on a quota bill. We are not voting on a quota bill today. We are voting on a motion to proceed. This whole steel situation is very complex. Most States do not produce steel, and a lot of people do not know about some of the complexities.

We deserve debate on this. Traditionally, in the Senate we do that. That is what we are here for, to iron out issues in a rational way.

The steel crisis is not over. It is not over at all. You talk to any steel CEO. They know it is not over. I will just give one statistic. That is all I will give.

If you take the first 4 months of 1999, which brings us almost up to today, versus the first 4 months of 1998, which was the worst of the steel crisis, yes, the steel import crisis has abated a little bit, but only 5 percent from the all-time historic high in the dumping of subsidized steel. It has decreased by a total of 5 percent across the steel front.

So the crisis remains with us. It is a very serious matter. It disrupts and undoes communities, sections of States across this country, not just West Virginia, Pennsylvania, and Utah, but the rest of them. I do not think we have done what we could have done to enforce our trade laws. They are very clear. The administration has not done what it could have done. But that day is past. So we have to do what we have to do, and that brings us to the quota bill. This is not the bill itself; this is the motion to proceed to discuss what we are going to do as a result of that vote.

I think we have a moral obligation to our steelworkers and to ourselves to honorably and fairly discuss something that is very complex and which needs our very closest attention.

I thank the Presiding Officer and yield the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. ROTH. Mr. President, I yield 3 minutes to the distinguished Senator from New York.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. MOYNIHAN. Mr. President, I rise with a measure of respect for all the parties to this question before us but with one absolute conviction, which is that what is proposed with this legislation, what has passed the House of Representatives, is illegal under international law. That, sir, is a law we created as the one party that emerged from World War II with its economy intact and the lesson of the protectionism that began on this floor, sir, in 1930 with the Smoot-Hawley Tariff Act. It spread throughout the world. If you want a short list of the causes of the Second World War, that was one. The American leaders, during the 1930s, with Cordell Hull, began the trade agreements program; and then we had hoped to have an international trade organization as part of a triad with the International Monetary Fund and the World Bank. Again, it failed in the Finance Committee. But in Geneva, a temporary ad hoc arrangement was put together, the General Agreement on Tariffs and Trade; it was temporary for about 45 years. But we acquired great respect for the rules, and 51 years ago, sir, article 11 of the General Agreement stated:

> No prohibitions or restrictions, other than duties or other charges, can be made through import quotas, export licenses, or other measures. None shall be instituted or maintained by any contracting party on the importation of any product.

Now, sir, if we were to do this, there would be immediate retaliation. And it would be illegal. It is uncalled for. The law says you may not do what is being proposed, and other parties, as former Senator Baker would say, ''having no dog in this fight,'' would find themselves retaliated against, as would the agricultural industry. I plead, let's abide by the laws we helped to create.

I yield the floor.

Mr. SANTORUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. SANTORUM. Mr. President, I yield to the senior Senator from West Virginia.

The PRESIDING OFFICER. The Senator from West Virginia, Mr. BYRD, is recognized.

Mr. BYRD. Mr. President, I thank my friend from Pennsylvania. I am one of the original cosponsors of the quota bill. I urge my colleagues to support cloture. I compliment my very able colleague, JAY ROCKEFELLER, for his diligent work on this matter. I also compliment Mr. SANTORUM, our colleague from Pennsylvania, for his equally good work.

The quota bill is a critical measure in addressing the steel import crisis that is confronting U.S. steel mills, and I am mystified by statements suggesting that the Emergency Steel Loan Guarantee Bill is a competing interest against the quota bill.

I am here to set the record straight.

As a result of global financial chaos, in 1998, a record level of 40 million tons of cheap and illegally dumped imported steel flooded the U.S. market. That represents an 83 percent increase over the 23 million tons average for the previous eight years! The result has been the loss of 10,000 steel jobs, and the bankruptcy of several U.S. steel mills.

While both bills are before the Senate because of the steel import crisis—one has been passed and the conferees thereon were appointed yesterday—the quota bill and the Emergency Steel Loan Guarantee Bill serve vastly different purposes, and both deserve support from every member in the Senate.

The quota bill is a long-term solution to the steel import crisis. The quota

bill would cap steel imports at a level that equals the average amount of steel that came into U.S. markets in 1995, 1996, and the first half of 1997. The measure would take effect immediately and prohibit any country from sending more steel to the United States than it did in July of 1997. The quotas would terminate in three years. The President could achieve these import limits by imposing quotas, tariff surcharges, negotiated enforceable voluntary export restraint agreements, or other means.

The Emergency Steel Loan Guarantee Program which passed the Senate last week is a helping hand to U.S. steel mills that have been injured by the cheap and illegal imports. It is a short-term assistance program to aid U.S. steel mills during their hour of need. It does not address the underlying critical problem of both cheap and illegally dumped imported steel that continues to adversely impact U.S. steel mills. While essential to aiding thousands of hardworking Americans, the steel loan guarantee program is no substitute, nor was it intended to be, for the long-term solution that is offered by the quota bill.

The House of Representatives passed the quota bill by a vote of 289 yeas to 141 nays. Now it is the Senate's turn to send a vigorous message to our trading partners that this nation will not idly sit by while another American industry is shipped abroad.

Last week, I strongly urged my colleagues to support the Emergency Steel Loan Guarantee Program. It is a fair and important measure for the U.S. steel industry and thousands of hardworking Americans. Let there be no mistake: members can not hide behind one vote and claim to have solved the crisis in our domestic steel industry. The Senate must act to help the U.S. steel industry on a long-term basis as well. This Senate acted wisely in passing the Emergency Steel Loan Guarantee Program. It provides a cash flow for financially damaged steel companies and it will enable them to invest in further modernization. It will save jobs that are at risk from illegal imports. Likewise, this Senate should ensure that the need for the loan guarantee program is minimized by casting a vote that will stop the illegal dumping of foreign steel. The quota bill will stop the cheating and finally provide U.S. steel mills with an international playing field that is fair.

I thank the distinguished Senator from Pennsylvania, Mr. SANTORUM, for his courtesy and kindness. I thank my colleague from West Virginia, Mr. ROCKEFELLER, for his leadership in this matter.

I yield the floor.

Mr. ROTH. Mr. President, I yield 3 minutes to Senator GRASSLEY.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, we are about to vote on a very major and very dangerous revision of U.S. trade policy, and we are going to do it without the benefit of a hearing and, quite frankly, we are doing it under great political pressure. That is not a very good environment.

If we give in to pressure to enact quota legislation, we will do great harm. I believe the proponents are all acting, of course, with the best of intentions. Yet we must not allow our desire to help a troubled industry in the short term do long-term damage to our economy.

Sixty-nine years ago, Congress passed the Smoot-Hawley Tariff Act, and they did it with the best of good intentions. Its aim was to help the American farmer, with a limited upward revision of tariffs on foreign produce. But it had the opposite effect. It strangled foreign trade. It deepened and widened the severity of the Great Depression.

Other countries faced with deficits and exports had to pay for their imports, and they responded by applying quotas and embargoes on American goods.

I think the history of the depth and the severity of the retaliation against U.S. agricultural products from that period is shocking, because our foreign buyers stopped buying our agricultural products in retaliation.

In 1930, the United States exported just over $1 billion worth of agricultural goods. By 1932 that amount had been cut in half. Almost every American export sector was hit by foreign retaliation but particularly agriculture.

As the United States agricultural exports fell in the face of foreign retaliation, farm prices fell sharply, weakening the solvency of our rural banks. Their weakened condition undermined deposit confidence leading to the runs on the banks and bank failures, and ultimately the contraction of money supply.

Farm prices for many agricultural products are already at rock bottom levels. Can we in good conscience put so much of our economy at risk with this legislation?

In 1998, the United States exported agricultural products worth $53 billion, accounting for one-third of America's total agricultural products, and nearly 1 million jobs. Agriculture is perhaps the most vulnerable sector of our economy to foreign retaliation, and our trading partners know it.

Retaliation is not a thing of the past. It is a hardball tactic that is frequently used as an instrument of national policy. Just look at the recent history. Japan threatened to retaliate when we took some action against them. In 1983, China temporarily stopped buying U.S. wheat in retaliation of another President's protectionist policies.

We have to learn from the past, and we have to say if it is bad for agriculture, it is bad for America.

The PRESIDING OFFICER. Who yields time?

Mr. SANTORUM. Mr. President, I yield 1 minute to the Senator from Michigan.

Mr. LEVIN. Mr. President, I thank my friend from Pennsylvania.

I would like to address a question to the chairman of the committee to see if he would be willing to consider this question. It has to do with a bill which the good Senator from Delaware introduced to modify section 201 of the Trade Act of 1974 in order to strengthen the utility of that section.

I am wondering whether or not on this bill, which was ordered reported, I understand, by the Finance Committee last Wednesday—it is the chairman's intention to press for Senate consideration.

Mr. ROTH. I say to my distinguished colleague that is my intent. We think it is a valuable change. We hope to have it on the floor.

Mr. MOYNIHAN. May I say that the Senator from New York offered that legislation, and it was welcomed by the chairman. It is a bipartisan measure.

Mr. COCHRAN. Mr. President, imposing quotas on the importation of foreign steel to protect some U.S. steel producers will have several negative effects on the domestic and world economy.

The best way to combat illegal trade practices is to adopt trade laws that are compatible with World Trade Organization rules. We already have in place section 201, dealing with temporary import surges and section 301, regarding anti-dumping. They have both proven effective in recent months in altering the steel trade balance.

Steel imports are already subject to over 100 outstanding antidumping and countervailing duty orders. Congress should not judge the outcome of these investigations by imposing quotas on top of existing trade rules. Maintaining consistency in our trade policy is of utmost importance, given that the U.S. is the world's largest trading country. Furthermore, The United States will host the WTO ministerial meeting in Seattle later this year. The success of these ongoing international trade talks depends on our credibility and compliance with those rules.

We must recognize that imposing on steel imports may affect other important U.S. industries as well. In Mississippi there are wire producers, shipbuilders and manufacturers who provide thousands of jobs and whose products contribute to our strong U.S. economy. And, when retaliations occur as a result of our implementation of quotas, they will undoubtedly affect other sectors of our economy, including agriculture.

In Mississippi alone agriculture exports of cotton, soybeans, poultry, rice and meat account for $850 million and 13,900 jobs according to the USDA and Census Bureau. The American Farm Bureau reports that exports constitute more than one-third of all U.S. agricultural sales. More than 1 million Americans today have jobs dependent on U.S.

agricultural exports, including farming, food processing and transportation.

The Coalition to Promote U.S. Agricultural Exports reports that every one billion dollars in exports helps create as many as 17,000 new jobs. In light of the market crises abroad in Asia, Russia, and the New Independent States of the former Soviet Union, it is more important than ever to assist the agricultural community by maintaining its access to the world's markets. This is the key to economic recovery of the farm sector.

U.S. agricultural and manufacturing exports totaled more than $680 billion last year. If Congress imposes quotas inconsistent with WTO rules, all U.S. industries may be targets for retaliation, putting at risk the revenues and jobs these industries and their exports produce. It is these very WTO agreements which enable our trading partners to retaliate against our exports.

This legislation's protection for the specialized steel industry will lead to protectionism. For the good of all U.S. industries—as well as agriculture—open markets, free, and fair trade, and a rules-based international trading system ought to be the principles on which we base our trade laws.

Mr. MURKOWSKI. Mr. President, I rise today to express my opposition to the steel quota bill, H.R. 975. Simply put, steel quotas are wrong. The protectionist measures proposed in this legislation represent a failed trade policy that the United States abandoned long ago. For the last 50 years, the United States has been the world's leading advocate of open markets. At the same time, we have grown to be the strongest and most productive economy on earth. Now is not the time for this government to reverse an economic policy that has served it so well.

Steel quotas are wrong for the world's economy, and by definition America's economy. In this era of global business, open markets are essential to international prosperity. In the midst of the Asian economic crisis, American leadership in keeping markets open has prevented a global financial meltdown. The U.S. and its allies have spent years developing an international trading system. Treasury Secretary Robert Rubin was not exaggerating last week when he warned that the steel quota bill could set off a wave of market access restrictions that would undermine this system and threaten the world's financial health.

Steel quotas are also wrong for the American economy. There is no question that open markets present some difficult challenges for American companies. They lead to stiffer competition and force greater efficiency. But open markets also mean greater opportunities. As a nation, we are succeeding. The United States is the strongest and most prosperous nation on earth. We have the most skilled workforce, the most productive factories and the most innovative thinkers anywhere in the world. Our commitment to open markets has played a key role in this success.

In my home state of Alaska, for example, international trade is a vital part of the economy. Last year, Alaskan companies exported more than 750 million dollars worth of merchandise to foreign countries. And that was an off year in my state because of the Asian flue—in most years, our merchandise exports total nearly 1 billion dollars.

For many reasons, the quota bill will do more harm to the American economy than good. First, the steel quota bill will provoke foreign countries to retaliate against our exports. And the United States will be in no position to complain. The international trading system—the one that we played a leading role in creating—authorizes countries to retaliate against those who erect trade barriers such as quotas. This retaliation will be devastating to our farmers and factory workers. It will cost many more American jobs than it will save. As American companies lose sales abroad, they will be forced to cut jobs and close doors at home.

Second, the quota bill will deny American manufacturers the steel they need to make their products. Domestic steel companies are only able to meet about 75 percent of the demand for steel in this country. As a result, steel quotas could create dangerous steel shortages—shortages that hurt the oil industry in Alaska. In addition, the quota bill is completely insensitive to the types of steel that American companies need. There are many special types of steel that simply are not made in the U.S. Quotas could completely deny American companies access to those special types of steel, forcing them to reduce the quality of their products or move their production overseas.

Finally, by making a critical raw material more expensive, steel quotas will put many of our products at a world market disadvantage. Because American manufacturers will be forced to pay more for steel than their foreign competitors, their products will be more expensive. Again, the steel quota bill will result in lost sales abroad and lost jobs at home.

For all of these reasons, we must not pass the steel quota bill. It is wrong for the United States and wrong for the world's economy. As Federal Reserve Chairman Greenspan recently warned, it will indeed be a great tragedy if we pass this legislation.

Mr. LEVIN. Mr. President, I will vote for cloture on the motion to proceed to H.R. 975 in order to bring this issue to the floor.

That is the best way, and perhaps the only way, to insure a debate on how to address the steel import crisis in a timely manner.

The motion to proceed isn't the end point. It is not final passage. Only if the motion to proceed is adopted can we debate how to act effectively and legally to avoid the kind of surges in steel imports which have illegally impacted our steel industry.

Ms. MUKULSKI. Mr. President, I am proud to cosponsor the Stop Illegal Steel Trade Act. This legislation will enable us to stand up for steel. It will create a level playing field for the American steel industry and our steel workers.

We must stand up for steel.

Today, our steel industry and steel workers are under attack by illegal and unfair trading practices. Brazil, Russia, and Japan have dumped cheap steel on the American market that has drastically impacted the price of steel. Over the last year and a half steel imports have increased by 47 percent. The producer price index for all steel mill products is down 9 percent. This is the largest decline in nearly 20 years. If this continues, American steel mills will simply not survive.

I have always been for free trade as long as it's fair trade. There has to be equal access and opportunity and a level playing field for American industry. But I cannot sit by and allow an industry that is fundamental to the American economy to be destroyed by what amounts to predatory trade practices. Our steel industry is ready and willing to compete—but they can't compete against unfair, illegal, predatory trade practices.

Steel is a part of our everyday life—we drive steel cars, work in steel buildings, and our national security is protected by steel aircraft carriers. We must do everything we can to preserve our steel industry.

That is why I am proud to be a cosponsor of the legislation we are considering today. This bill would place restrictions on steel imports for three years. It also authorizes the President to take steps to ensure that steel imports return to pre-crisis levels. The Secretaries of the Treasury and Commerce will enforce the regulations on steel imports. I think these are important steps to revitalize our steel industry.

We owe it our hardworking, dedicated steel workers. The work week of many at Bethlehem Steel has been shortened. This means less food on the table. This means late mortgages, rents, and car payments. And all this because foreign countries are desperately trying to stabilize their own economies on the backs of our steel workers.

These countries are not going to throw our steel industry a curve ball. With this legislation we will force Japan, Brazil, and Russia to play fair. I urge my colleagues to join me in supporting this bill and stand up in steel.

Mr. SPECTER. Mr. President, I have sought recognition to speak relatively briefly on the steel import limitation bill.

Similar legislation passed the House of Representatives by a vote of 289–141. While this quota legislation is a very

strong measure, it reflects the necessity that strong action be taken to enforce U.S. trade laws to stop an avalanche of dumping by foreign countries.

We have seen the decimation and disintegration of the American steel industry by unfair foreign imports. Twenty years ago, in 1979, approximately 453,000 steelworkers were employed. Today that figure is about 160,000. Some $50 billion has been invested by the American steel industry to modernize, but there is no way that the American steel industry can compete with dumped goods, the sale of goods in the United States at prices lower than the price at which such goods are being sold by the producing companies in their own country or in some other country. These goods come into the United States from a number of countries—from Russia, from Brazil, from Ukraine, from South Africa and from China—at prices less than the cost of production. This is the antithesis of fair trade.

This situation requires a change. Twelve executives from American steel companies sent a letter to the Secretary of Commerce Daley in response to his comment last week that the steel crisis is over—said Secretary Daley. This letter, dated June 18, 1999, says, in pertinent part, the following:

> The steel industry started some seven actions for antidumping, and six of those were subjected to suspension agreements by the Department of Commerce, to the detriment of the steel companies.

I ask unanimous consent that this chart on steel imports and suspension agreement be printed in the RECORD at the conclusion of my statement.

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

(See Exhibit 1.)

Mr. SPECTER. Steel import limitations, or quotas, provide for a drastic remedy. Along with the steel industry, other industries in the United States have been victimized by the failure to enforce U.S. trade laws.

I have, for the past 15 years, proposed legislation which would authorize equitable relief to provide for enforcement of the U.S. trade laws. At the present time, if complaints are filed with the International Trade Commission, it takes up to a year—or more—to have those matters resolved. An equitable action, a court of equity, would result in having these matters resolved in the course of a few weeks.

Until that is done, it appears to be necessary for some very decisive action. This is why I cosponsored the steel import limitation bill.

EXHIBIT NO. 1

STEEL IMPORTS AND SUSPENSION AGREEMENTS: SUMMARY OF FLAT-ROLLED SUSPENSION AGREEMENTS

Year of filing	Product	Country	Final ad margins (percent)	Suspension agreement volumes (metric tons)	Estimated volumes w/orders (metric tons)	Agreement minimum price ($/MT)	Estimated fair price ($/MT)	Current import value ($/MT)
1996	Plate CTL	China	17–129	141,000	0	308	505	397
1996	Plate CTL	Russia	54–185	94,000	6,466	275–330	505	352
1996	Plate CTL	S. Africa	26–51	NA	3,150	NA	505	331
1996	Plate CTL	Ukraine	81–238	148,520	32,151	314–466	505	516
1998	Hot-Rolled	Russia	71–218	750,000	28,933	255	397	236
1998	Hot-Rolled	Brazil	51–71	295,000	310	NA	397	227

Mrs. FEINSTEIN. Mr. President, I rise today in opposition to the cloture motion to proceed to H.R. 975, the Steel Import bill. I do so for three reasons. First, I think that this legislation is protectionist and invites retaliation under the World Trade Organization; second, I believe that it may endanger the health and stability of the international economy; and, third, I believe that it may endanger the health and stability of the U.S. economy, including the steel industry it is intended to protect.

I understand the appeal of this legislation for those who support it, and believe that they are well intentioned in wishing to see legislation passed which protects the U.S. steel industry.

As supporters of this legislation have pointed out, there was an undeniable surge in steel imports into the United States last year. Over the past three years, economic instability in East Asia, Russia, and Latin America have resulted in a weakening of the world steel market. According to the Congressional Research Service, between August 1997 and August 1998, imports surged almost 80%.

But today, it is important to note, steel imports have returned to their pre-crisis levels, down roughly 44% in April 1999 since last August's peak, according to the office of the United States Trade Representative.

Where I disagree with supporters of this legislation, then, is that although I too believe that some complaints about unfair competition and unfair trade practices are, of course, warranted, the solution to those complaints found in this bill—the imposition of unyielding import quotas—is an approach which I believe to be counterproductive and even potentially harmful to the health of the U.S. economy.

First, the protectionism sought by this bill would put the United States in violation of world trade rules, and would invite retaliation against U.S. producers of a range of goods in overseas markets, jeopardizing jobs at home.

The World Trade Organization permits the application of ''safeguard measures'' such as quotas only in very specific circumstances, and never unilaterally. In the absence of a determination that the product in question is being imported in such increased quantities as to cause or threaten to cause serious injury to the domestic industry, unilateral measures such as those included in this bill are not permitted. And if a nation takes such a unilateral measure, the countries affected are allowed to take retaliatory measures.

Thus, if this legislation is enacted, the United States would face the real possibility of retaliation by the world's steel exporting countries. Under the WTO rules, other countries will have the right to retaliate against our exports. They could put at risk our most competitive sectors—such as agriculture, high-tech, or pharmaceuticals.

In fact, a June 18 letter signed by the American Farm Bureau Federation, the International Dairy Foods Association, and the National Cattlemen's Beef Association, among others, states that:

> At a time when U.S. farmers are facing severe financial hardships, continued access to global markets Is critical to preserve farm income . . . since growth for the U.S. agricultural sector hinges on access to world markets, passing legislation that violates the WTO threatens economic growth in the farm sector.

In addition, there could also be retaliation against U.S. products that use steel, such as automobiles, heavy machinery, or construction. For example, according to a letter I received from Boeing:

> In 1999 we expect to deliver approximately $18 billion in airplanes to international customers, many of whom are struggling to purchase these planes as a result of the Asian financial crisis. A number of these airplane deliveries could be at risk if new limits on imported steel are imposed.

The unilateral protectionism embodied in this bill would undermine the international trading system and the institutions, rules, and regulations to safeguard the international economy that the United States has worked so hard to put into place over the past fifty years. As we have seen in numerous cases, these institutions and rules have helped the U.S. gain market access when other nations sought to prevent it, and have helped the U.S. economy to grow and created numerous jobs here in the United States.

As the world's largest trading nation, U.S. interests are best served by supporting—not undermining—the rules-based international economic and trading system.

This leads me to my second point, and the second reason I am opposed to this legislation: I believe that this legislation threatens to undermine the health and stability of the international economy, and with it the base

for much of America's current economic prosperity. Free trade has been a prime ingredient in the eight year U.S. economic boom.

Moreover, in the past year we have begun to turn the corner on a global economic crisis. Maintaining open world markets is vital to global recovery in Asia, Russia, Brazil, and elsewhere. These countries have not closed their markets to U.S. products despite the economic pressures they have faced in the past several years. If the U.S. takes a significant step towards protectionism, it will set off a global chain-reaction.

Indeed, according to a May 25 letter I received from Raymond Chretien, the Canadian Ambassador to the United States, passage of this legislation:

> . . . would set a protectionist precedent that would encourage other industries, in the U.S. and other countries, to seek unilateral relief outside of legitimate, established, trade remedies. The world economy, and workers in affected countries, can ill afford the turmoil that could ensure in international commerce.

According to Brookings Analyst Robert Crandall, HR 975 is ''one of the most blatantly projectionist pieces of legislation since the 1930s''. I do not believe that a single member of this body wants the United States, or the international economy, to risk a return to those days of global depression.

Finally, although the quotas might have some marginal palliative effect for some of the old-line steel factories, they would have a far larger effect on the overall health and well-being of the U.S. economy, and threaten to harm countless other U.S. workers and consumers.

This is the third reason I oppose this bill: I believe that it is bad for the U.S. economy, including the steel industry.

To take one example, steel import quotas would increase the price of steel used by the automobile industry, harming the auto industry and auto workers, and would in turn show up in higher auto sticker prices, harming U.S. consumers hoping to be able to purchase reasonably priced cars.

In short, steel import quotas will undermine U.S. manufacturing competitiveness in a range of industries and business that rely on steel, from metal fabrication to transport to industrial machinery to construction; industries that in toto employ over 8 million workers.

For example, I received a letter from the Aggressive Engineering Corporation, a small California company that serves military and commercial industry in their metal stamping needs. According to this letter:

> Our company relies on steel from domestic producers. However, U.S. steel producers are able to supply only about 75% of the demand for steel, leaving a yearly shortfall of 30 million tons. In order to maintain our operations in the United States, we depend on foreign steel. . .While we all agree that it is important to maintain U.S. jobs and job growth, steel is no less important than other sectors. Please remember that steel-using industries employ more than 40 American workers for every worker in the steel industry. Quotas do not work. They will harm consumers and steel-consuming industries to a much greater extent than they could ever help steel producers or steelworkers.

It is also important to keep in mind that although many of the old-line steel mills face serious difficulties, that is not the same as saying that overall the U.S. steel industry is in trouble. In fact, many of the problems faced by old-line steel mills stem less from import problems than from decades-old mills that are unable to compete with the efficient new mini-mills located right here in the United States. Even as the U.S. faced the ''import surge'' last year, U.S. mills rolled out 102 million tons of steel in 1998, the second highest total in the past two decades.

In addition, The Wall Street Journal has reported that 25% of the steel entering the United States last year was bought by American steelmakers, who otherwise could not have met the demands of their customers.

In other words, while seeking to protect the steel industry, this legislation could in fact harm the industry by protecting the least efficient producers at the expense of the more efficient, and by preventing American steelmakers from getting access to the steel they need to meet customer demand.

In response to this surge in imports last year, earlier this year the Administration put in place an aggressive Steel Action Plan to strictly enforce the trade laws already on the books; enter into new bilateral agreements with Japan, Russia, and Korea regarding their steel imports to the United States; create new sources of early import data and an active monitoring of safeguards; and lend support for the Section 201 safeguard law.

In addition, the Department of Commerce determination on the import surge this February, recently supported by a finding of the International Trade Commission, has paved the way for the Administration to slap duties on Japanese and Brazilian steel and forced Russia to restrict its imports.

I believe that the Administration's response has been tough but fair. And I believe that the proof of the effectiveness of this response is in the pudding: By all accounts the steel import crisis is over, with imports having receded back to pre-crisis levels.

Under these circumstances—passing potentially harmful quota legislation after the crisis has passed—is the wrong way to approach this issue, and I hope my colleagues will join me in opposing the cloture motion to proceed to this bill.

Mr. VOINOVICH. Mr. President, today, the Senate will cast a very important vote on whether we will stand up and honor our commitments to United States trade policies, or enact protectionist trade measures on steel imports that will have little or no favorable effect on the steel industry, yet will ultimately harm many segments of our nation's economy.

Let me first stipulate one point—I am now, and I always have been, a strong supporter of Ohio's steel industry. In fact, I believe my actions prove that I have been ''standing up for steel'' for two decades.

My support for Ohio's steel industry goes back to the days when I was Mayor of Cleveland.

In the early 1980s, when steel imports peaked at nearly 27% and U.S. steelmakers were losing billions of dollars in revenue, I lobbied President Reagan for Voluntary Restraint Agreements (VRAs) in order to give the domestic industry five years of breathing room to modernize and restructure. I rallied with the steelworkers in Cleveland's Public Square to tell America about how our steel industry was being dumped on.

A year before the VRA program was set to expire, I began lobbying then-Vice President Bush for a temporary extension, to give the steel industry some protection while the Administration attempted to negotiate a multilateral steel agreement aimed at eliminating unfair foreign practices.

All throughout 1988, I fought for the VRA extension. My efforts were successful, because in 1989, President Bush agreed to extend the VRAs two and a half years.

And two years later, after I was elected Governor, I was back to lobby the Bush Administration to ensure that all of our trade laws would be vigorously enforced after the extended VRAs finally expired in 1992.

In 1991, I was the first Governor in the United States to set up a Steel Industry Advisory Commission—a public-private partnership designed to strengthen ties among the steel industry, the state of Ohio, and its citizens.

I also worked to bring steel companies, such as North Star Steel, to Ohio in order to create more, good-paying jobs. I have been there to lead the fight—to make sure that the federal government did not run roughshod over our steel industry.

In May 1992, I attended the opening of the U.S. Steel/Kobe Blast Furnace in Lorain, Ohio—a $100 million investment with 2,800 jobs that almost didn't happen. The EPA was going to halt the project, but I went straight to the White House and let them know that what the EPA was proposing in Ohio was ridiculous.

Ohio is now the largest steel-producing state in the country, a development I'm proud to say occurred during my tenure as Governor.

Last year, a building where state agencies were going to be located was built, and foreign steel was used in place of domestic steel in violation of state law. State law called for a fine of $3,000, but I insisted that the entity responsible for building this facility pay $50,000. I doubt there are very few other public officials in the country who would enforce an existing law so vigorously.

When imports of steel shot up last year, and Ohio steel producers started

to suffer, I was one of the first elected officials to speak out. I wrote the President several times, twice on my own and once with other governors, urging him to take all appropriate action under our trade laws to combat steel dumping. I also supported a resolution in the Ohio legislature urging the President to take action.

My support for the steel industry has been long-standing, and I dare say it is matched by few individuals. That's why I look seriously upon any proposal that purports to help this important industry.

The bill that is before the Senate today would impose a monthly limit on steel imports for the next 3 years. The quotas would apply to all steel mill products from all countries, regardless of whether they have engaged in dumping or not.

I have given this legislation much thought and careful consideration, and on its merits, I cannot vote in favor of this bill.

Mr. President, I have dedicated my entire 33-year public career to serving the people of Ohio. I am the last person who would want to see the Ohio steel industry and good-paying jobs dry up and go away. I would not vote against this Quota Bill if I believed it was a productive solution that would save jobs in my state.

It is because I care about Ohio's workers that I must oppose the Quota Bill today. I wish I could tell Ohio's and our nation's steelworkers that the Quota Bill would save steel jobs. I cannot. I wish I could tell them that the Quota Bill would give the industry a quick fix. It will not.

Not only is the Quota Bill bad policy, but voting for it today would be an exercise in futility, because we already know that the President will veto it.

In addition, I am concerned that too much emphasis has been placed on this legislation as being some sort of panacea that will help address all of the steel industry's problems. The fact of the matter is, if this legislation becomes law, it will only serve to compound the industry's problems.

Passage of this bill will provide a false sense of relief, when what we should really be doing is concentrating our efforts on a long-term solution—one that will make a difference in addressing the viability of our nation's steel industry within the framework of existing law.

I have often said that in Ohio, we are no longer the ''Rust Belt'' we are the ''Jobs and Productivity Belt.'' We made this transition thanks in part to the efforts of the steel industry to modernize and become more efficient and competitive.

And, it's easy to do when you have good labor-management relations which promotes empowerment, when you have businesses willing to invest in training and advanced manufacturing technology, and when you have partnerships with government and education. It's amazing what you can get. It's what has helped contribute to the importance and significance of steel in Ohio.

Overall, the American steel industry is succeeding. It produced record levels of steel in 1997 and 1998, and is now more efficient than it ever has been. It is strong. Its workers are strong. And it can compete in the world marketplace, if the playing field is level.

That is why it is so important that we continue to work to get other countries to follow the American example: to open their markets to American goods, to stop subsidizing their national steel industries and to stop dumping steel on our market at unfair prices.

We need all of Ohio's 35,400 steelworkers fighting for this approach, and applying the appropriate pressure to get other nations to change their protectionist ways.

However, the minute we succumb to the sort of trade practices that we so vehemently oppose, we lose all credibility in the international community.

Most every trade expert will attest that this Quota Bill violates World Trade Organization (WTO) rules—rules that are treaty-based and to which the United States is bound. Even supporters of this legislation must acknowledge that fact.

Since the bill does violate international trade rules, it would invite our largest trading partners to launch major trade cases against us, cases that, based on our treaty obligations, we would most surely lose.

This would give our trading partners the right to take retaliatory trade actions against us. They could slap high tariffs on all manner of American-made products in order to limit our access to their markets or kick us out altogether. Such actions would result in job losses in American industries that rely heavily on exports, such as agriculture, technology and telecommunications and a host of others.

One industry that would be particularly hard-hit by a trade war is agriculture. America's farmers grow and export more food than any other farmers in the world. They would be dealt a devastating blow by retaliatory action taken against them—probably the most affected segment regarding American jobs. In my state of Ohio that's crucial because we have some 80,000 farmers.

It's also important to farmers across the rest of the country. In fact, just yesterday, I received a letter from 20 major agriculture associations, including American Farm Bureau, outlining their opposition to the Quota Bill.

Moreover, for nearly 60 years the United States has been the primary advocate of a free—and, rules-based—system of international trade. The United States is constantly urging other countries to respect international trade agreements and to comply with WTO decisions.

The United States has set the example of being the one nation that consistently complies with the WTO. Indeed, the United States has won 19 of the 21 trade cases it has brought to the WTO for dispute resolution, such as the recently settled banana case the U.S. brought against the European Union.

How can we expect other countries to abide by international trade rules if the United States, the main advocate of those rules, flagrantly disregards them itself? If we want a rules-based system of international trade to work, so that we can have a level playing field across the board on all goods, America must continue to lead by example.

Proponents have argued that even if the Quota Bill violates WTO rules, it would take years for any cases filed against us at the WTO to run their full course. In the meantime, quotas on steel products would give the domestic steel industry some temporary relief from imports in order to recover from last year's import surge.

There are two flaws in that logic. First, imports have dropped off dramatically, and are now below the levels that the proponents of the Quota Bill seek to establish.

Second, analysts are predicting that the U.S. will actually have steel shortages this summer. This means that the industries that need steel to make their products—like the automakers—will not have enough steel to build new cars in order to meet consumer demand.

At the moment, the domestic steel industry can only make enough steel to meet 75% of the domestic demand. Not too many people realize that the remaining 25% must now be imported from overseas, and of that amount, the steel industry imports 25% for its own capacity.

In fact, there are steel products that many Ohio manufacturers need that aren't even made in the United States.

In short, regardless of what is said, the United States must import steel right now in order to meet domestic demand.

So, what happens under the Quota Bill, when there are steel shortages in the United States, while an oversupply of cheap steel remains in the rest of the world? It means that America's manufacturers will have to pay a comparatively higher price for the steel they need to make their finished products, such as cars, machine tools and dish washers.

As a result, the cost of American-made finished products will be higher, while the prices for the same goods made overseas will remain low.

So what will consumers in the United States and around the world do? They will do the logical thing: buy cheap, foreign-made goods, and at the end of the day, America's manufacturers and workers will lose out, and we will be right back at square one. Except this time, even more American jobs in a variety of other job sectors will be on the line, especially in Ohio.

According to the Bureau of Labor Statistics, there are 465,000 Ohio workers in downstream industries that use

steel. This means that for every Ohioan employed in the steel industry, there are 12 other Ohioans who work in steel-using industries and whose jobs would be directly jeopardized by the Quota Bill.

I cannot, in good conscience, vote in favor of a piece of legislation that would have the effect of jeopardizing the jobs of more than half-a-million Ohioans—including 80,000 farmers I previously mentioned—for a Quota bill that will have no long-term positive benefits.

All in all, this bill could have extremely serious consequences for jobs in Ohio.

When I was Governor of Ohio, one of my four economic development initiatives was exports. Because of our actions in the state, Ohio's exports increased by more than 62% during the time that I was Governor. And as most Americans know, as exports increase, so do jobs.

Our economy is intertwined with the international marketplace, and it becomes even more so on a daily basis.

As one who has argued vigorously to have others take down their trade barriers so we could get our goods into their countries, how can I talk about closing down our borders and keeping other products out?

We have also increased investment in Ohio by foreign companies. According to Site Selection magazine, from 1991–1997, Ohio had more growth in non-U.S. owned firms than any other state—some 300 new manufacturing facilities and plant expansions.

For me to come out in favor of quotas and trade barriers in today's marketplace would be detrimental to the economic well-being and growth of Ohio as well as jeopardize jobs in my state.

What we ought to do is improve the situation that we already have within the framework of current law and WTO rules.

I don't think anyone will deny the fact that the steel industry was affected by last year's surge in imports, and this surge was partly the result of a series of financial crises in Asia and Russia that precipitated a collapse in global demand for steel.

Naturally, imports were drawn to the United States, where the economy and demand for steel remained strong in comparison to the rest of the world. Unfortunately, the collapse in global demand was exacerbated last summer by the 54-day strike at General Motors, the largest consumer of American-made steel.

However, the oversupply of steel on world markets is not a new problem facing the U.S. steel industry. It has been a persistent problem that has plagued American steel producers for decades, and it is the legacy of 60 years of foreign government intervention in domestic steel industries.

Since the 1930s, other countries have undertaken policies to expand their domestic steel-making capacity and employment, regardless of market conditions. These policies have included tariffs, quotas, heavy government subsidies, state ownership, and government toleration of cartel-like behavior.

The end result has been that foreign steel manufacturers are able to produce and sell steel under circumstances that would drive a U.S. steel manufacturer out of business.

Quotas will do nothing to address this fundamental problem. We learned from our experience with voluntary restraint agreements (VRAs) in the 1980s that restricting steel imports—be it through VRAs or quotas—will do little to discourage other countries from subsidizing their industries or engaging in other market-distorting practices.

That's why we ended the VRA's. After trying to match our competitors step for step, the United States determined that only through sound economic and trade policies would we ever overcome the protectionist tendencies of other steel producing nations. That's why we continue to press for fair competition before the WTO and why we continue to win our cases.

A good majority of our American steel industry has modernized, restructured, and become more efficient in order to compete in the global marketplace. They are to be commended for making the decisions that make them the best steel industry and the most productive workers in the world. As I have said earlier, smart business decisions have made Ohio the number one steel state in the nation.

What we need to do now is level the playing field by going after the unfair, market-distorting practices that have insulated foreign steel producers from the same market pressures our American steel producers face. We need to win our fights in the proper venues and with the facts on our side.

If it is our intention to pass legislation in the Senate, we should look at solutions that will truly address problems that exist and that will not provoke an all-out ''trade war.''

To that end, I have been working with the Chairman of the Finance Committee, Senator ROTH, to develop a legislative solution to deal with the global overcapacity of steel that we believe will more reasonably address the concerns of America's steel industry.

I believe the legislation will get to the root of the steel import problem, and is the type of solution we should be pursuing, not this Quota Bill.

The Roth bill, the Steel Trade Enforcement Act, would direct the U.S. Trade Representative to start an investigation of the unfair practices that have protected foreign steel manufacturers from the capital market pressures that the American steel industry faces and have protected them from true competition.

Once we identify those countries and practices, the proposal would then require the Administration to develop a comprehensive, government-wide strategy to eliminate those practices. There is a follow-up mechanism to make sure that action is taken.

The Roth bill would also establish a monitoring program to facilitate the timely release of data on steel imports. This monitoring program could serve as an early warning system for future steel import surges, giving industry and the Administration more time to respond. It will also put our competitors on notice that the United States is watching.

The Roth bill also would require the U.S. representatives to the international financial institutions—such as the World Bank and the International Monetary Fund—to oppose any financing to steel industries abroad. It's not fair to use U.S. taxpayer dollars to subsidize the steel industries of our foreign competitors.

Finally, the Roth bill has a provision dealing with so-called ''suspension agreements.''

Under current law, when an antidumping or countervailing duty case is under way, the Administration has the authority to go out and negotiate a ''suspension agreement'' with the offending country. If the Administration is able to reach such an agreement, the pending antidumping or countervailing duty case is suspended.

Many steel companies and workers feel like they have been undercut by the recent suspension agreements that the Administration has negotiated with Brazil and Russia on hot-rolled steel imports. The industry would have much preferred that the pending antidumping cases be taken to their full conclusion so that the full antidumping duties could be imposed.

The suspension agreement provision would require that the Administration get the support of at least 50% of the industry before finalizing any future suspension agreements. I am particularly pleased that this provision was added to the bill.

Mr. President, I believe that Senator ROTH's legislation is a rational approach to the dumping that the United States has been subjected to over the years and is our best bet to effectively deal with those nations that subsidize their steel industries.

However, passage of this quota bill before us today will do nothing to assist our domestic steel industry—it will be ruled GATT illegal, which will draw retaliatory actions from other nations. In addition, it will not prevent future job losses in the steel industry and, in fact, could cause job losses in other employment sectors—some with no ties to steel whatsoever such as agriculture.

We must do all that we can to ensure continued economic growth in our nation. This legislation does not. Therefore, I cannot support this bill.

Mr. BIDEN. Mr. President, in the midst of the best economy our country has ever seen, while we have understandably focused on the good news, there has been another story that has only recently begun to get the attention it deserves.

Thanks to the leadership of Senator ROCKEFELLER, Senator BYRD, and many of our other colleagues from our country's leading steel producing states, the story of American steel workers has been heard. Like so many other workers in America's core manufacturing industries, steel workers have been struggling with restructuring and modernization that has made them among the most productive in the world. But on top of the sacrifices—in jobs and job security, in pay, in benefits—they have been hit by the one-two punch of the international financial crisis over the last couple of years.

On top of the lost sales overseas, where once booming developing nations are no longer able to purchase steel from the U.S., our steel workers have watched as those same developing countries have dumped their own steel products here, often below the cost of production, literally stealing American markets out from under them. So, with lost sales at home and abroad, steel workers are losing their jobs as our mills cut production and even shut down.

For the tens of thousands of American workers whose jobs have been lost, whose families have been strained to the breaking point, whose communities have crumbled, this is not some abstract economic question about free trade and open markets. The question is what shall we do to help the people who, despite their hard work and sacrifice, are paying the ultimate price as the rest of us enjoy the many benefits of the new economy.

The question before us today, is how to deal with the kind of economic disruption that has come from a global economy with wide-open capital markets and instantaneous communication. The current crisis in our domestic steel industry is, at its roots, a crisis of overcapacity in the steel industry on a global scale. Too many developing countries built too many new steel mills, with less concern about the long term economic sense and more interest in the kickbacks and quick bucks to be made in the short run.

I believe that we have been right to respond to the recent international financial crisis by providing the IMF and the World Bank and other entities with the funds they need to put the international financial system back on its feet. But one unfortunate aspect of that process, in my mind, is that too many investors who were throwing money at ill-prepared and even corrupt developing economies will benefit from our attempts to prevent a collapse in the world economy.

Today, instead of high-rolling international investors, we are asked to consider help for those American workers and their families who are victims of that international economic crisis, for which they are completely blameless. We will be adding insult to that injury if we fail to act to help them.

But while I will vote for the motion to proceed to this bill, Mr. President, I could not vote for passage in its current form.

We already have many anti-dumping actions underway, a time-consuming and sometimes frustrating process to be sure, but a process designed to guarantee that we hit what we are shooting at—it requires evidence of who is dumping what kind of steel, and what the real economic damage is. We should continue to pursue those actions as quickly and as relentlessly as the law allows.

Just last week, the Senate passed legislation, brought before us by Senator BYRD, that provides $1 billion for the steel industry in loan guarantees to help them deal with the current crisis.

These actions are significant steps in the right direction, and they don't have the unintended consequences that the bill before us brings with it. Quotas on imported steel violate one of our oldest and most basic commitments to the international trading system we have worked so long to create. That system, for the most part, has been a key part of our current economic success.

If we impose unilateral quotas on other countries' steel exports—without showing any specific illegal practices or any direct economic damages—we will seriously weaken our leadership in international trade when we are fighting so hard to open other markets to our products. Chief among those products are our agricultural products, Mr. President, but virtually all of our exports are exposed to a trade war with other countries if we respond to the very real problems of our domestic steel industry by unilaterally imposing quotas.

That does not mean we cannot and should not do more to protect American steel mills and steel workers from the unfair and illegal trade practices of other countries. But I hope if we can proceed to a real debate on this issue that we can formulate a more effective way to right the wrong that has been done to them.

The PRESIDING OFFICER. The time has expired. Who yield's time?

Mr. NICKLES. Mr. President, I ask unanimous consent to speak on leader time.

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

ORDER OF PROCEDURE

Mr. NICKLES. Mr. President, I ask unanimous consent, notwithstanding rule XXII, that immediately following the 12:15 vote, Senator DODD be recognized to speak relative to the State Department authorization for up to 15 minutes. I further ask unanimous consent that following his remarks the Senate stand in recess until 2:15 for the policy conferences. I also ask unanimous consent that at 2:15 today there be 5 minutes equally divided for debate on the Feingold amendment, and following that debate, the Senate proceed to a vote on the Feingold amendment, No. 692. I ask unanimous consent that following that vote, Senator HELMS be recognized in order to offer the managers' amendment and it be considered and agreed to.

Finally, I ask unanimous consent that there be 5 minutes equally divided between the chairman and the ranking member for closing remarks, the bill be read a third time, the Senate proceed to vote on passage of the bill, with no intervening action or debate; further, that Senator HARKIN be recognized after the vote to speak for 20 minutes regarding the State Department reauthorization bill.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered..

Mr. NICKLES. Mr. President, I now ask the manager of the bill for 3 minutes to speak on the steel quota bill.

Mr. ROTH. I yield 3 minutes.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I urge my colleagues to vote no on the so-called steel quota bill. I think it would be a mistake. I think the bill would do more harm than good; I mean more harm than good to our entire economy, and I believe also to the steel industry and to the steelworkers. I think it would be a serious mistake.

One would have to figure what happens if we enacted these arbitrary quota restraints. Senator MOYNIHAN just mentioned it would be a violation of our trading laws. If we do that, that will hurt the steel industry indirectly, because we export a lot of steel products. We export a lot of tractors, we export a lot of heavy equipment, and we export a lot of cars, all of which use steel.

If we establish arbitrary quotas on what we are going to import, many other countries are going to retaliate, and they have the right to do so under the WTO. We are going to be violating the trade laws that we have agreed to, and there is going to be a response.

Senator GRASSLEY just mentioned that the biggest response is going to be against agriculture. It is kind of the easiest thing to hit. Agriculture is very competitive in the export market.

Farmers all across the country are going to be faced with a loss of exports, and they are going to say: Wait a minute. Congress just imposed a restriction on steel imports, and, therefore, they are going to put restrictions on the amount of wheat, or the amount of grain they will import. It would be a serious mistake.

Mr. President, I ask unanimous consent to have printed in the RECORD an article in today's Washington Times by William Daley, Secretary of Commerce.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Times, June 22, 1999]

WHY TRADE QUOTAS DON'T WORK

(By William M. Daley)

The steel quota legislation now being considered in Congress is a misguided attempt

to deal with a problem that is already beginning to go away. Last year, when steel imports, particularly from Japan, Russia, and Brazil, surged by 33 percent over 1997, layoffs mounted and plant closings loomed, the demand for quota legislation to protect businesses and workers was understandable. Today, however, we are beginning to turn the corner on steel imports. And while calls for quota legislation continue, it is clear that this bill is not in the nation's economic interest—nor in the long-term interest of the U.S. steel industry or American steelworkers.

Make no mistake about it: last year's steel crisis was real and demanded a strong response. The administration acted, adopting a two-prong strategy combining swift and vigorous enforcement of our trade laws with bilateral pressure on our trading partners to reduce their steel exports to the United States. Forty-two antidumping and countervailing duty steel investigations are currently being conducted or have been completed since January. These include investigations on hot-rolled steel, carbon steel plate, and three types of stainless steel. In a number of these cases, the Commerce Department provided swifter relief by making early determinations or conducting the case on an expedited schedule. At the same time, senior government officials, including the president himself, have exerted strong bilateral pressure on our trading partners to reduce their steel exports to the United States.

This strategy is working. Since it was put in place last November, steel imports have fallen dramatically. Total steel imports in April were down 39 percent from last year, with imports of hot-rolled steel, the product covered by cases brought against Japan, Russia and Brazil, down 73 percent. Imports overall are returning to pre-crisis levels. April 1999 imports of all steel were 22 percent below April 1998 levels, and six percent below April 1997.

Steel imports during the first four months of 1999 were down 5 percent compared to the first four months of 1998 and 4 percent compared to the first four months of 1997. Despite this significant progress, there is a strong effort under way that ignores the success we've seen to date and seeks to impose across-the-board quotas on steel imports.

Steel quotas, however, will backfire; in the end they will not ensure long-term job security for American steel workers. As a nation, we have a great deal to lose from quotas. The United States is the world's largest exporter—and steel is a significant part of many of these exports. Approximately 20 percent of the steel consumed in the United States last year went into products that were later exported, such as heavy machinery, trucks, food processing equipment and so on. The quota bill, however, would violate our international obligations under the World Trade Organization (WTO) and give other steel exporting countries the right to retaliate, perhaps by barring those U.S. exports that use American steel as a way of striking back.

That would put our domestic steel industry in the middle of a trade war. Many industries depend on both domestic steel and steel imports to stay competitive. In fact, a number of U.S. steel producers themselves import substantial quantities of semifinished steel products. Imposing quotas at legislatively mandated levels could cause layoffs and idled production in a number of steel consuming industries due to shortages of specific steel inputs. Other U.S. industries may also pay a price from a steel quota bill, especially sectors that depend on exports, such as technology, pharmaceuticals and above all, agriculture.

No one has more to lose from quotas than America's farmers, who grow more and export more than any farmers in the world. More broadly, the repercussions could be serious, for both our economy as a whole and the economies of other countries just now beginning to recover from last year's financial crisis. In fact, by weakening rather than strengthening the international economy, the quota bill will make future import surges, in steel and other industry, more, not less, likely. An international economic recovery, on the other hand, will not only help avoid import surges in other industries, it will also help revive worldwide demand for steel.

The quota bill is not in our nation's economic interest, and it is not even in the interest of our steel industry and its workers. We have laws that permit us to protect ourselves from unfair competition. We have the will to use them. And we have a strong and effective policy that is working. We should not consider trading all that for an approach that will hurt us in so many different ways.

Mr. NICKLES. Mr. President, I will read a couple of lines from his article. He says:

> No one has more to lose from quotas than America's farmers who grow more and export more than any farmers in the world.

He also says:

> The quota bill is not in our Nation's economic interest, and it is not even in the interest of our steel industry and its workers.

He is exactly right. This bill would be a serious mistake.

The Commerce Department has already taken action against Russia, against Brazil, and against Japan. They can impose tariffs up to 28 percent on Japan for dumping, up to 86 percent on Brazil for dumping, and up to 200 percent on Russia for dumping. Already there are remedies.

Incidentally, I might mention that the problem is not near as grave as some people have indicated. Steel imports have gone down 72 percent from last November, which was an all-time high.

Again, I don't think the facts warrant passage of this bill. I clearly think if people look at the long-term ramifications of passing it, agriculture will lose, the American economy will lose, and I really think, frankly, the steel industry will lose as well.

The PRESIDING OFFICER. Who yields time?

The Senator from Pennsylvania.

Mr. SANTORUM. Mr. President, I yield to the Senator from Ohio, a great champion of this legislation, 3½ minutes.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. DEWINE. Mr. President, this bill has great significance to my home State of Ohio. Ohio produces and processes more steel than any other State in the Nation. Ohio steel companies—115 of them at last count—produced and processed steel valued at $5.3 billion in 1996. Ohio is second only to Pennsylvania in the number of employed steelworkers. At last count we had 35,400 steelworkers in the State of Ohio.

We are here today because foreign steel producers have illegally dumped millions and millions of tons of steel into the United States. In 1998, 41 million tons were dumped. That represents on average an 83-percent increase.

Ohio steel production from the first quarter of 1999 was down significantly. Ohio steel shipments during the first quarter of 1999 were also down nearly 16 percent from the same period in the previous year.

Members of the Senate, all of this is no accident. All of this was the result of illegal dumping of steel into the United States.

Our steel industry, despite being a highly efficient and globally competitive industry, is in trouble. I have heard from and I have talked directly to steelworkers and their families about this issue. It is estimated that 10,000 steelworkers have already lost their jobs. The Independent Steelworkers predict job losses of as many as 165,000 if steel dumping is not stopped.

It is time for the Senate to take action. All eyes are on us.

The question is, Will we respond to this crisis?

Adopting this bill tells our steel industry, our steelworkers, and the world that we support our industry, we support trade laws, and we will simply not tolerate dumping or subsidization.

The bill is tough. It directs the President to impose quotas, tariff surcharges, or negotiate enforceable voluntary export restraint agreements in order to ensure that the volume of imported steel products during any month does not exceed the average volume imported from the 3-month period preceding July 1997.

I am a free trader. I believe free trade, though, does not exist without fair trade. Free trade does not mean free to dump, free to subsidize, free to distort the market. However, that is exactly what is happening today.

A strong and healthy domestic steel industry is vital to our Nation and vital to our national defense. Let us resolve today to debate and then pass H.R. 975. The House has already done so. I believe it is in our interest and the interest of the country to do so.

I thank my colleague from Pennsylvania, Senator SANTORUM, for his leadership, as well as Senator ROCKEFELLER and the other Members who have worked so hard on this bill.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. I yield 2 minutes to the Senator from Florida.

Mr. GRAHAM. Mr. President, over the past 18 months there has been a surge of steel imports. That surge has severely and adversely impacted the U.S. steel industry.

This crisis needs to be addressed and the effects of illegal dumping dealt with in a fair and equitable way.

I think the administration deserves credit for the series of steps, including bilateral agreements and vigorous enforcement of existing trade laws, that have greatly improved the steel situation in this country. Imports, as a result, are now down to below precrisis levels.

I support strong action to enforce our trade laws. I believe that trade policy should be by rule of law, not by anarchy, and that with such strong rule of law enforcement we will be able to assure U.S. workers that they are not hurt by illegal import surges.

However, I oppose this legislation because it has the potential of doing great damage to our economy and to the international trading system. It would violate our WTO commitments, thereby putting at risk many of the gains we have made in our economy in recent years. It would focus on a specific problem of the past but do nothing to deal with the next challenge to the rule of law in our trade policy.

I believe that the most at-risk sector of our economy would be agriculture. Agriculture today enjoys the biggest trade surplus of any sector of our economy. Other countries will see this as an opportunity to retaliate against U.S. industry, wiping out export markets that our agriculture producers have achieved.

We must address the problems of the steel industry in a way that does not violate our international agreements. I believe this can best be accomplished by making adjustments to section 201 of the Trade Act of 1974, which is designed to deal with import surges.

Last week, the Senate Finance Committee passed out legislation which modifies section 201 so that it is more responsive to import surges. This legislation is a good first step, but more can be done.

The specific problems of perishable agriculture should be addressed so that seasonality can be taken into account when determining injury to a domestic industry.

We must ensure that U.S. industry has recourse to affective and timely relief when they are injured due to illegal import surges. If we cannot do this, our entire system of international trade, and the health of our domestic economy will be at risk.

For this reason, I will oppose cloture at this time and ask my colleagues to do the same.

I urge we deal with this problem by making our trade enforcement laws more effective, more able to respond to the challenges of the future, and not succumb to a violation of our trade agreements.

Mr. ROTH. I yield 1 minute to the distinguished Senator from Texas.

Mrs. HUTCHISON. Mr. President, I want to vote for this bill but I can't. I want to because I think part of the steel industry has a legitimate case. But I can't because voting for this bill would make it worse than the relief they seek.

We have GATT. We have WTO. We have NAFTA. We have access to accountability. However, the administration is not allowing that to go forward. We have to stay within the system. We have to play by the rules.

The reason we are debating this is because we haven't had the administration firmly coming forward and saying the steel industry has a legitimate gripe. They do.

I support the Finance Committee approach to it which says we are going to stick by the rules, and we need to enforce them vigorously.

Mr. ROTH. Mr. President, my understanding is we have 3 minutes.

The PRESIDING OFFICER. The Senator has 57 seconds remaining.

Mr. MOYNIHAN. I ask unanimous consent 3 minutes be added to each side.

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

Mr. ROTH. I yield 2 minutes to the distinguished senior Senator from Texas.

Mr. GRAMM. Mr. President, in the last 12 months, America has created 1,950,000 new permanent, productive, tax-paying jobs for the future. We have created 7,500 jobs in every working day for the last 12 months.

If we want to continue to benefit from being the world's greatest trading nation, we have to have politicians that are willing to stand up and fight for those principles by saying no on bills such as the bill before the Senate.

Though the bill before the Senate may be well intended, the bill before the Senate is a job killer, a trade war starter, and it is a bill that will destroy 40 jobs in steel-using industries for every one job it saves in steel producing.

Last year, we exported $222 billion worth of products that used steel; 40 jobs were created in those industries for every one job in steel. It is estimated that the passage of this bill would save about 1,700 steel jobs at a cost of about $800,000 a job for the American consumer. But that is not counting the jobs we would lose in steel-using industries. It is not counting the jobs we would lose because of retaliation from our unfair trade practice.

If we want to create 7,500 jobs a day, we have to have the courage to stand up and defend the system that creates those jobs.

I urge my colleagues to resist the siren song of well-organized groups that have their special interests and look at the general interest of America. When we are creating more jobs than the rest of the world combined, more jobs than in all of Europe, Japan, China, and every developing country in the world combined, why should we be attacking the very system that created those jobs?

I urge my colleagues to reject this bill.

Mr. ROTH. How much time remains?

The PRESIDING OFFICER. The Senator has 1 minute 46 seconds.

Mr. ROTH. Mr. President, I yield the remaining time to Senator BOND.

Mr. BOND. Mr. President, I point out that over the last 6 years prior to 1998, the steel industry experienced 6 straight years of growth in domestic steel shipments.

In 1998, there is a downturn. There is a downturn because of the collapse in the Asian economy, because of the General Motors strike. That is unfortunate. We don't want to see those jobs lost.

When you talk about illegal dumping, there are laws against illegal dumping. They are being enforced and they are being enforced effectively.

What we are being asked to do in this bill is to put at risk the 20 production jobs for every one steel job; 20 production jobs depending on using steel for the one job in the steel industry.

That could be a disaster for our economy.

The chairman has already pointed out the cost to the taxpayers, to the consumers. In my State of Missouri, workers in agriculture, in the airplane industry, and small businesses would suffer a loss of jobs and a loss of opportunity if we adopted this measure.

I join with the chairman and the ranking member in urging we oppose this measure.

Mr. President, I offer a few other points on top of the excellent arguments laid out by my colleagues as to why this bill is a bad idea.

The reasons for the surge in steel imports and the decrease in employment in the steel industry are the result of numerous factors and complex conditions. There are a number of forces at work, but the difficult times faced by the steel industry are largely due to economic cycles and conditions. I believe that the industry is asking Congress to take action on its behalf to rectify a status caused by unfavorable conditions. We have a large and diverse economy, with many factors dependent on one another. Taking legislative action on behalf of one industry could have wide and profound ripple affects on may industries that are not for the better and would be a very unwise precedent. The reaction to this legislation could destroy jobs in Missouri industries from agriculture to airplanes and many others.

These conditions have not been receiving the level of attention that they deserve in the discussion as to whether erecting trade barriers is the proper approach, if there is an approach, to reducing the increase in steel imports.

The largest consumers of steel are automobile manufacturers and construction—two industries whose health is directly related to the health of the economy. We all are aware of the economic conditions facing the Asian nations, particularly facing Japan and the Southeast Asian Nations. This was a very sudden and dramtatic turn of economic fortunes. Previously, those economies had a voracious appetite for steel in the years proceeding their economic problems. The skylines of the Asian business capitals have been transformed from those of small towns into cosmopolitan metropolises rivaling many American cities. But today, the streets of Bangkok are littered with dozens of highrise construction

projects that have ground to a halt. Demand for steel overseas has collapsed.

Prior to that collapse, U.S. steel manufactures were enjoying good times. Indeed, a decline in domestic steel shipments was witnesses in 1998, but the decline, which was slight, came on the heels of six straight years of growth. The industry enjoyed good times, they benefited from the growth in demand, from the construction boom here and abroad. But economic upheaval abroad has had a major affect on demand, prices, productivity and profit. Capacity was moving along only to face an almost instanteous drop in demand. Those factors as having contributed to the drop in demand have been minimized. Another factor, the labor stoppage at General Motors last summer, has barely been mentioned.

Businesses endure business cycles. I have all the confidence that the industry will take the steps necessary to remain competitive, but taking this legislative action to address the conditions of one industry is unwise. Those factors have been minimized as contributing to the decline in demand around the world. Another factor, the labor stoppage at General Motors last summer, cannot be underestimated for its impact on demand and prices.

We are being asked to take legislative action to protect a single industry from conditions that are largely the result of the economy and their business decisions and planning. An act such as this cannot be taken without having severe and far reaching consequences for many other industries. As we have heard on the floor of the Senate, and their own business decisions taking legislative action that will benefit a single industry is a purely protectionist act.

Mr. President, we have made a commitment in this country to advancing freer trade and open borders. I believe it is in the best interest of our country and in the best interests of future generations. Trade has many benefits. The competition has led to dramatic improvement in the efficiency and the profitability of the domestic auto industry. It has led to improvements in the efficient and profitability of the domestic steel industry. Prior to the year 1998, shipments of steel increased for six straight years. I believe that growth will return. The benefits are seen all around us in the form of more efficient industries, cheaper products and better made products.

Trade also advances our standard of living. As we enjoy the benefits of this communications revolution, open markets will permit it to be prolonged. If other countries close down their markets, the avenues to continue to sell these products will begin to evaporate. There is no dispute the types of jobs that have been created because of this revolutions—they are high paying and highly skilled jobs, the type of jobs that have contributed to the continuing escalating standard of living in the United States.

Several Senators addressed the Chair.

Mr. BIDEN. Will the Senator yield me 15 seconds?

The PRESIDING OFFICER. The Senator from Delaware.

Mr. BIDEN. The pain is real, the need is real, but the answer is wrong. We are not voting up and down on this bill. We are voting to proceed. I am going to vote to proceed in the hope that between now and the time we vote on this bill, the administration and others understand there is a need for an answer. This is not the answer. I would vote against the bill, but I will vote to proceed.

The PRESIDING OFFICER. Who yields time?

The Chair recognizes the majority leader.

Mr. LOTT. Mr. President, has all time been consumed?

The PRESIDING OFFICER. No; 4 minutes 25 seconds remain.

Mr. LOTT. At the appropriate time, I will use leader time to wrap up debate on this issue.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SANTORUM. Mr. President, I yield 2 minutes to the junior Senator from West Virginia for his remarks.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. ROCKEFELLER. Mr. President, I will not even take that amount of time. Senator GRAMM and Senator NICKLES and others, have said vote against this bill. You will have a chance to vote against this bill. That is not what we are about today. We are voting on the motion to proceed to discuss an extraordinarily complex issue, the ramifications of which a lot of people do not know. It has been pointed out we are in violation of WTO. It has not been pointed out we are trying to follow our Trade Act, which we ourselves passed in the Congress and which was signed by a previous President.

Please, this is the motion to proceed. We traditionally are fair about these things. This is a complex subject. Steel is only produced in 16 States in a major way. A lot of people have a lot to learn.

We are not voting on the quota bill. We are voting on the motion to proceed to simply talk about it. We have had a very high barrier to reach.

Finally, I say the crisis is not over. I repeat that. The first 4 months of this year compared to the first 4 months of last year—last year being the worst year in history in terms of imports—steel imports were only down by 5 percent. The crisis lives. The time to vote for an honest discussion of the issue is now. We can do that by voting yes on the motion to proceed.

The PRESIDING OFFICER. Who yields time?

The Senator from Pennsylvania.

Mr. SANTORUM. Mr. President, I want to pick up where the Senator from West Virginia left off, and that is to make very clear what we are voting on today. We are not voting on a steel quota bill. We are voting simply to bring the issue to the floor of the Senate for open debate and discussion and amendment. I do not think anyone in this Chamber can say what has gone on in the steel industry has been good for America. I have heard from some of the speakers—incredibly so—that somehow or another this was good for American jobs; we create American jobs when people illegally, against our trade laws, being subsidized by foreign governments, dump product into this country—that somehow that is good for America.

I do not think it is good for America. We have laws that are in place to stop that because we think it is unfair. We think that is illegal. So when I hear these arguments that we have to let the marketplace work, the fact is the marketplace is not working. The administration is not working in enforcing our laws. So what we are saying is, the Congress needs to get to work. Congress needs to get to work, to talk about how we can put this together.

The Senator from Michigan talked about the bill that came out of the Finance Committee. That could be an amendment to this bill. It could be a substitute to this bill. If you want a vehicle to have a fair and honest debate about what our steel policy should be, what our trade policy should be, this is the vehicle to do it. Let's vote on the motion to proceed. Let's bring up this matter. It is an important matter, as the Senator from West Virginia said, to at least 16 States. It has impacted tens of thousands of workers across this country. It is a very serious, desperate situation for many major companies in the United States. All we are asking for out of this vote is to let us be heard on the floor of the Senate. If you do not like the solution, as the Senator from Delaware said—the junior Senator from Delaware said he does not like the solution—fine. Bring up another measure. Bring up an alternative. We will have a debate on that. We will have a vote on that, and we will work our will in the Senate to address an issue that needs to be addressed. That is all we are saying.

Please, let the folks back in Akron, OH, in Pittsburgh, PA, and Weirton, WV, the people in the Senate care about what is going on in their lives. Let them know we are not deaf to the pain they are going through in losing their jobs. Let them know by just giving us a chance to debate this bill and do something about the crisis in the steel industry in this country.

I yield the floor.

The PRESIDING OFFICER. The Chair recognizes the majority leader.

Mr. LOTT. Mr. President, I would like to use some of my leader time now to close debate on this issue. First, I yield a minute to the Senator from Idaho to comment.

The PRESIDING OFFICER. The Senator from Idaho is recognized for 1 minute.

Mr. CRAIG. Mr. President, I thank the leader for yielding.

This is not an issue about steel. This is an issue about trade. The United States will be hosting the World Trade Organization's ministerial meeting in Seattle later this year. If this Senate voted out a quota bill at a time when we were expecting to engage the rest of the world in further discussion about knocking down trade barriers to give agriculture and other trade entities greater opportunity in the world market, this Senate and this Government would be sending the wrong message.

I am not going to argue with the Senator from Pennsylvania. There is no question the steel industry has been hurt. Agriculture is being hurt as we speak, but we do not close our borders and turn our lights out. We work to build a stronger and more fair trade organization around the world.

Furthermore, this act would violate our international obligations under the World Trade Organization and General Agreement on Trade and Tariffs. By closing the U.S. Steel market, we would encourage other countries to follow our lead and undermine the system that the United States has worked so hard to establish. If we are to expect other countries to honor their obligations under these agreements, we must do the same.

Mr. President, raising barriers against steel imports will only provide the steel industry temporary benefits while the American consumers suffer long-term consequences. Products that are made from steel, such as cars, homes, and appliances, will cost more to produce and will become more expensive to consumers. For example, large U.S. companies, such as Cargill and Hewlett Packard, that have substantial business in Idaho would be adversely affected. This situation will cause American consumers to purchase less and put millions of American jobs at risk. These consequences far exceed the risks the steel industry is facing.

I yield the time.

Mr. LOTT. Mr. President, at the request of the Senator from Pennsylvania, Mr. SANTORUM, and others, we are going to have this vote today. They made the point this was an important issue to them. They thought there should be some discussion about it and asked for an opportunity to have some debate and a vote. Little did I know at the time it was going to be a weekly event.

Last week it was the revolving fund loan for steel. This week it is the quota bill. Next week it will be something else. In fact, the Finance Committee has reported out something, and it is probably, of the three options, the only one we should be considering. But do not fool yourselves; this is not an inconsequential vote. Don't be saying we can vote for this on the motion to proceed and then we can vote against it later on. In order to go forward, the proponents have to get 60 votes today but only 51 tomorrow.

So I urge my colleagues, do not say, I'll give them a procedural vote. What you may be giving them is something that would be very dangerous, because we then could be voting on the substance itself. I think the consequences of such a vote that would befall America's economy and our trade policy would be dire, indeed. Not only would it increase the burden on our consumers, it would also run counter to our international trade agreements, and it would adversely affect our businesses and farmers that depend upon access to these international markets. There is no question this bill would undercut the economic growth we enjoy today. It would be starting down an extremely dangerous path.

We all struggle with similar issues in our own States in one area or another—perhaps agriculture here, textiles there, something else elsewhere. But free trade has been proven, time and time again, to benefit America, to benefit American consumers. It is the right thing to do, and we should not start down the trail of passing quotas here, there, or somewhere else.

I urge my colleagues, vote against cloture.

I yield the floor.

CLOTURE MOTION

The PRESIDING OFFICER. Under the previous order, the cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The legislative clerk read as follows:

CLOTURE MOTION

We the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the motion to proceed to Calendar No. 66, H.R. 975, The Steel Import Limitation Bill.

Trent Lott, Rick Santorum, Mike DeWine, Jesse Helms, Ted Stevens, Harry Reid, Byron Dorgan, Orin Hatch, Jay Rockefeller, Robert C. Byrd, Robert Torricelli, Fritz Hollings, Pat Roberts, Arlen Specter, Richard Shelby, and Craig Thomas.

CALL OF THE ROLL

The PRESIDING OFFICER. By unanimous consent, the mandatory quorum call has been waived.

VOTE

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that debate on the motion to proceed to the consideration of H.R. 975, an act to provide for a reduction of the volume of steel imports, and to establish a steel import notification and monitoring program, shall be brought to a close?

The yeas and nays are required under the rule. The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Arizona (Mr. MCCAIN) is necessarily absent.

The result was announced—yeas 42, nays 57, as follows:

[Rollcall Vote No. 178 Leg.]

YEAS—42

Bayh	Feingold	Robb
Bennett	Harkin	Rockefeller
Biden	Hatch	Santorum
Boxer	Helms	Sarbanes
Burns	Hollings	Schumer
Byrd	Inhofe	Sessions
Campbell	Johnson	Shelby
Conrad	Leahy	Smith (NH)
Daschle	Levin	Snowe
DeWine	Lincoln	Specter
Dodd	Mikulski	Stevens
Dorgan	Murray	Thurmond
Durbin	Reed	Torricelli
Edwards	Reid	Wellstone

NAYS—57

Abraham	Enzi	Kyl
Akaka	Feinstein	Landrieu
Allard	Fitzgerald	Lautenberg
Ashcroft	Frist	Lieberman
Baucus	Gorton	Lott
Bingaman	Graham	Lugar
Bond	Gramm	Mack
Breaux	Grams	McConnell
Brownback	Grassley	Moynihan
Bryan	Gregg	Murkowski
Bunning	Hagel	Nickles
Chafee	Hutchinson	Roberts
Cleland	Hutchison	Roth
Cochran	Inouye	Smith (OR)
Collins	Jeffords	Thomas
Coverdell	Kennedy	Thompson
Craig	Kerrey	Voinovich
Crapo	Kerry	Warner
Domenici	Kohl	Wyden

NOT VOTING—1

McCain

The PRESIDING OFFICER. On this vote, the yeas are 42, the nays are 57.

Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected.

Mr. ROTH. Mr. President, I move to reconsider the vote.

Mr. MOYNIHAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Under the previous order, the Senator from Connecticut is recognized.

Mr. DODD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. MOYNIHAN. Mr. President, I ask unanimous consent to speak for 1 minute.

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

Mr. MOYNIHAN. Mr. President, the distinguished chairman of the Finance Committee just made this remark to me. He is too modest, perhaps, to say it himself. He suggested that we have just taken what will likely be the most important vote of this session of the Congress. It was the first such vote we have had, I know, in my 23 years on the Committee on Finance—a solid affirmation of a half century, and more, of American trade policy.

I thank the Chair and yield the floor.

Mr. ROTH. Mr. President, first of all, I want to just thank my distinguished colleague, Senator MOYNIHAN, for his

invaluable assistance on this most important matter. I think the two of us believe very strongly that there will be no more important a vote than the one we just took. It is important from the standpoint of our national economy; it is important from the point of view of our steel industry; it is important from the standpoint of our workers. I know it was a very difficult vote for many people, but I want to express my public appreciation for their assistance.

I yield the floor.

Mr. DODD. Mr. President, I voted to invoke cloture. It was a difficult vote. The chairman of the Finance Committee and the Senator from New York deserve a great deal of credit for bringing this up the way they did. I regret we didn't get cloture. I think the bill would have needed work, I must say, before it reached final passage, had cloture been invoked.

FOREIGN RELATIONS AUTHORIZATION ACT, FISCAL YEARS 2000 AND 2001

Mr. DODD. Mr. President, if I may, I ask what the pending business is in the Senate?

The PRESIDING OFFICER. Under the previous order, up to 15 minutes is allotted to the Senator from Connecticut.

Mr. DODD. Mr. President, I thank the Chair.

Mr. President, it is my understanding that the managers of the pending bill graciously agreed to include one of two of the amendments I had proposed to offer in the managers' package that will be adopted later today. I extend my thanks to Senator BIDEN and Senator HELMS.

Mr. BIDEN. Mr. President, if the Senator will yield, it is true; we have accepted it. It is a very good amendment and we are delighted to do that.

Mr. DODD. I thank the Senator from Delaware. Let me briefly describe what that amendment is, and then I am also going to propose a second amendment, which, again, the chairman of the committee and the ranking member are familiar with. My intent is not to force a vote on that amendment but to raise the issue included in the amendment. The amendment that will be adopted later today would direct the Office of the Inspector General of the Department of State ''to make every reasonable effort to ensure that each person named in a report of investigation by that office be afforded an opportunity to refute allegations or assertions that may be contained in such report about him or her.''

In the interest of accuracy and thoroughness, the amendment would also require the inspector general to include exculpatory information about an individual that is discovered in the course of the investigation to be included in the final report produced by the inspector general.

I am not going to take a great deal of the Senate's time on the specific details of this amendment because I know the managers very much wish to complete action on this bill. But it seems what I have said about this amendment is common sense. One would assume that what I have said would be the case already. If allegations involving a criminal matter would be raised about any citizen of this country, under due process that citizen would have the right to know about those allegations and an opportunity to respond to those allegations, and any exculpatory information would be included in the determination of whether or not to go forward. We would assume that to be the case.

Candidly, I must tell you, when investigations are done by the inspector general at the State Department—and, regrettably, other agencies—that is not the case. So this amendment on this bill is designed to correct the problem at the State Department. It doesn't go any further than that.

I want to thank Senator HELMS and Senator BIDEN for their assistance with this amendment and mention, in particular, that Senator HELMS and I will be including a colloquy for the RECORD that clarifies technical matters with respect to the intent and scope of this amendment. I have proposed this amendment because I truly believe that it will improve the functioning and work product of the Office of the Inspector General in carrying out her investigations.

I also have another motive as well. It is a matter of fundamental fairness, in my view.

Many of the investigations that the IG deals with in the course of her duties would be improved, in my view, were the individuals involved given an opportunity to comment about the information developed in the course of the investigation as it relates to those individuals. Sadly, this is not the general practice of the inspector general, although it does happen in some cases at the discretion of the inspector general. In most cases, a report gets finalized from the inspector general, and the individual never gets a chance to correct what may be factual inaccuracies before a decision is taken to refer the matter to the Justice Department, or to the Director General of the State Department for possible criminal prosecution or for disciplinary action.

I think it is only fair to allow an individual to be provided that information prior to some disciplinary action being recommended, because, frankly, even though there is a grievance process, there is a tendency in the Congress to assume that the inspector general has accurately stated the case and the individual's promotion prospects are put into jeopardy.

The chairman and ranking member know that I propose this amendment in part because I know firsthand that had the inspector general checked out some of the information her investigators erroneously included in one of their reports related to this Senator, that information would never have been part of the report.

In fact, I ask unanimous consent at this point to have printed in the RECORD some correspondence between myself and the inspector general.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, March 6, 1996.

Hon. JACQUELYN L. WILLIAMS-BRIDGERS,
Inspector General, Department of State, Washington, DC.

DEAR MS. WILLIAMS-BRIDGERS: I am writing to you with respect to a report produced by your office late last year concerning an investigation conducted about matters related to the U.S. Embassy in Dublin and the U.S. Ambassador Jean Kennedy Smith—''Special Inquiry, Embassy Dublin, Republic of Ireland, Jean Kennedy Smith, Ambassador, Dennis A. Sandberg, Deputy Chief of Mission, December 29, 1995.''

I am shocked and angered by the cavalier manner in which your office saw fit to include my name in this report eight times, purporting to represent my conversations, comments or intentions with respect to individuals employed at the U.S. Embassy in Dublin, without ever making any effort to contact me or my office for comment. Had you done so, I would have told you in the strongest terms that there was absolutely no truth to the suggestion made in the report that I took or sought to take retribution against individuals in the Embassy because of some policy or personality differences that they may have with Ambassador Smith.

I am certain anyone who reads this report will be shocked to discover that never once was I contacted by your ''investigators.'' It would seem to me that a very basic element of any credible and professional investigation is that anyone who might be able to be shed light on the matter under investigation be contacted, particularly when you intend to include that individual's name in the final report. I wonder how many other individuals whose names are mentioned in this report were never contacted or interviewed by your office? Frankly, the clear misrepresentations contained in the report as it relates to me seriously call into question the quality and integrity of the report in its entirety.

I believe that simple fairness and professionalism dictate that I receive an apology from your office for such unprofessional behavior.

Sincerely yours,
CHRISTOPHER J. DODD,
U.S. Senator.

DEPARTMENT OF STATE,
THE INSPECTOR GENERAL,
Washington, DC, March 8, 1996.

Hon. CHRISTOPHER J. DODD,
U.S. Senate, Washington, DC.

DEAR SENATOR DODD: I am writing in response to your letter of March 6, 1996, and as a followup to our telephone conversation last night concerning our December 29, 1995, Special Inquiry of Embassy Dublin.

Let me begin by stating emphatically that this office is in possession of no information whatever which would suggest that you ''took or sought to take retribution against individuals in the Embassy because of some policy or personality differences they may have had with Ambassador Smith.'' Our intention in the Dublin report was merely to convey the fear that was engendered in the minds of career employees by the clear misuse of your name and position by an individual who purported to speak for the Ambassador. Indeed, while Ambassador Smith