

aisle, we embarked on a new path of political progress with Vietnam. We restored political relations and we restored economic relations. We recognized how important it was to integrate a former adversary into the global economy.

Then in December of 2001, we passed a bilateral trade agreement that has spurred economic growth for all parties. By the end of 2005, two-way trade between the United States and Vietnam had reached nearly \$8 billion, a huge increase from the base it started at just a few years earlier. Now, with the passage of this legislation, with the adoption of permanent normal trade relations, we will magnify those benefits and we will allow the United States and Vietnam to work as partners in the World Trade Organization.

The impact for our Nation will be especially dramatic in the services sector. The bill will provide more open access in telecommunications, financial services, and energy services. This is crucial, absolutely crucial, for jobs here at home in the United States. Eighty percent of the American workforce is in the service sector.

At the same time, this legislation is about more than just economics, and I think that those on both sides of the aisle recognize this fact. Permanent normal trade relations will promote additional domestic reforms in Vietnam. By increasing transparency in that country's trade practices, this bill will contribute to greater transparency in all areas of government.

From the first time that I visited Vietnam after my service in the conflict there, more than 15 years ago, to today we have seen enormous changes take place in the political structure of Vietnam. And as a Vietnam veteran, I find this especially heartwarming and especially important. We are working and we must continue to work on behalf of development and of good governance in Vietnam.

This legislation shows us that Vietnam's best interests can align with the interests of this country as well, and this is what free trade is all about. This is what free trade does for two countries, and this is why this bill has bipartisan support, and it is why it will pass, why it should pass, today.

I can only hope that in the next Congress my colleagues will take the same commonsense approach to other trade bills that will be considered and that they will have the courage to embrace a free trade agenda which will benefit Americans and people around the world alike.

Mr. McDERMOTT. Mr. Speaker, I yield 5 minutes to the gentleman from Oregon (Mr. BLUMENAUER).

Mr. BLUMENAUER. Mr. Speaker, I appreciate the gentleman's courtesy in permitting me to speak on this bill.

I am honored to follow my friends Mr. SHAW and Mr. KOLBE, who have invested in making this work, and it is an example of how trade policy can, in fact, be bipartisan. This is one of those examples.

For those of us who entered political life during the Vietnam War era, the passage of normal trade relations and the final step towards normalization of relations with Vietnam is nothing short of astonishing. I was honored to accompany President Clinton on his historic visit to Vietnam in 2000 and to watch the spontaneous outpouring of interest and it appeared even affection, for the American President and for America at that point. This agreement cements this important political relationship with a key Southeast Asia partner and demonstrates a roadmap for other former enemy countries to repair relations and proceed together along a mutually beneficial path.

It contributes to the continued process of reform in Vietnam, strengthening the rule of law, promoting transparency in government, and decreasing that government's role in the Vietnamese economy.

It is also good economic policy for both the United States and Vietnam, strengthens the international trading system in the wake of the collapse of the Doha Round. U.S. exports to Vietnam have increased over 150 percent since that historic visit with President Clinton to over \$1.2 billion last year, and Vietnam continues to be the second fastest economic growth engine in the world.

Vietnam has agreed to open their markets to U.S. manufactured goods, services, and agricultural commodities, including things we care about in Oregon like beef, apples and pears.

Imports from Vietnam are also important in supporting many jobs in the Northwest, as my friend from Puget Sound mentioned. Companies, I would say, like Nike and Intel have the same sort of interests, and it will also provide advantages for American consumers. Access to U.S. markets can also play an important role in Vietnam's fight against poverty as it seeks to emulate the progress of the other "Asian tigers," which have lifted hundreds of millions of people out of poverty and sickness in East Asia.

However, I would offer two points of caution. I am concerned that the administration has agreed to self-initiate antidumping investigations against the Vietnamese textile industry, which employs 2 million people and is Vietnam's second largest export earner. By creating an uncertain atmosphere for U.S. business in Vietnam, I am concerned, and I hope that this concern is not proven to be founded, that the agreement between the administration and the Senators from North Carolina will deter U.S. companies from operating in Vietnam and harm companies that depend on imports from that country, limiting the benefits of this agreement both for the United States and the Vietnamese people, as well as setting, shall we say, a dubious precedent for future trade policy.

I do encourage the administration to work closely with the United States stakeholders and attempt to find a mu-

tually acceptable conclusion to this issue that is fair to the parties involved and does not set a dangerous precedent.

I would also repeat on the floor what I have said to friends and people that I have met in Vietnam, Vietnamese officials at the highest level in both countries, that the Vietnam record on religious freedom and human rights continues to be an impediment to a full flowering of the partnership with the United States. It decreases the legitimacy of the Vietnamese Government in the eyes of their people and people around the world.

□ 1545

A truly close relationship can only be based on shared values and the Vietnam Government's record must improve in the area of human rights and religious freedom. And it is not just about the relationship between the United States and Vietnam and helping oppressed people in Vietnam. It is only with this freedom of the economy and religion that they are going to be able to benefit the full flowering of their economy.

Mr. Speaker, in the end, permanent normal trade relations with Vietnam is a win for both the United States and Vietnam on all fronts. And I for one enjoyed working with the junior Senator from Oregon who helped lead the passage in the Senate, demonstrating once again that trade does not have to be one of these mindless partisan issues. I strongly support this legislation and urge my colleagues to do as well.

Mr. SHAW. Mr. Speaker, I continue to reserve the balance of my time.

Mr. McDERMOTT. Mr. Speaker, I yield 4½ minutes to the gentleman from Ohio (Mr. KUCINICH).

Mr. KUCINICH. Mr. Speaker, I rise in opposition to H.R. 5602. Opposing PNTR for Vietnam is in the interest of the Vietnamese and the American people. As you know, Vietnam has been subject to a trade agreement with the United States since 2001. How has it gone? If you care about Vietnam, then you should care to know that Vietnam has a lot to lose as poor as that country may be.

Vietnam had a growth rate of 9 percent between 1993 and 1997, the year the Asian financial crisis hit. In other words, under the Socialist Republic of Vietnam, economic growth was very respectable, but the global experience of developing countries with WTO roles is disappointing at best.

During the WTO decade, that is 1995 to 2005, the number and percentage of people living on less than \$2 a day has jumped in South Asia, sub-Saharan Africa, Latin America, the Middle East and the Caribbean. The rate of worldwide poverty reduction has slowed. Per capita income growth in poor nations decline when they sign up for the WTO.

And structural adjustment policies by the IMF and the World Bank also cause the economic situation of the people in those countries that sign up for the WTO to be impaired.