THE SECRET MEDIA SUBSIDIES IN WTO/GATT

October 14, 1994 *by: Phyllis Schlafly*

We've heard a lot from the media in recent weeks about the danger from "special interests" influencing legislation. We've heard a lot about the expensive pork that the pigs (excuse me, Congressmen) tuck away in the fine print of legislation.

Such things do happen, and now we learn that Big Media are at the head of the chow line while they are lapdogging the legislation. And what's most extraordinary in the post-Watergate era of full disclosure, Big Media failed to disclose their own financial interest.

Hidden in the lengthy WTO/GATT legislation is a provision to give $65 million of federal aid to the owners of the Washington Post and the Atlanta Constitution. It's no coincidence that those two newspaper giants were the most obsequious in supporting Bill Clinton's candidacy in 1992 and are now the most vociferous in supporting the immediate passage of WTO/GATT right now! Without delay!

The Washington Post editorialized for speedy passage while asserting that the WTO/GATT bill "contains no surprises, no provisions that have not been amply discussed." That's not true; the $65 million subsidy was negotiated in secret and its revelation by competitor newspapers was a huge surprise to everyone.

Chairman of the House Commerce Committee John Dingell and President Clinton slipped a provision into the WTO/GATT legislation that waives FCC fees on new cellular telephone licenses held by three companies: The Washington Post Company, Cox Enterprises (which owns the Atlanta Constitution), and Omnipoint Communications Corporation.

In August of this year, the FCC adopted a fee formula requiring payments totaling at least $400 million for these valuable licenses. The **WTO/GATT** legislation would override the FCC decision and waive a significant portion of those fees.

The New York Times estimates that this waiver is worth $65 million. In addition, these media giants will get permanent licenses for their new cellular systems, a right that is likely to be worth hundreds of millions of dollars in the future.

This newspaper pork cannot be deleted out of the WTO/GATT bill. Congress will vote on WTO/GATT under a special procedure called "fast track" (designed to circumvent the constitutional requirement for a two-thirds vote in the Senate on treaties) which forbids all changes.

The battle in Congress over the expansion of GATT into a World Trade Organization is a tug of war between the financial and corporate elite versus grassroots Americans. It's a defining battle between those who believe that trade should be our paramount national goal, versus those who believe that patriotic and

family values are just as important.

WTO/GATT is a battle between those who count national wealth by the vitality of the Fortune 500 and the stock market, versus those who reckon national wealth by the ability to get a decent job, by the standard of living of ordinary Americans, and by stable families and communities. It's a battle between those who think that the freedom to buy and sell on the other side of the world should be of a higher order than our freedom and ability to buy and sell in our own communities.

WTO/GATT is a battle by those who chase fantasies such as "global village," "one world," "community of nations," and "world government," versus those who cling to the proven success of our unique constitutional republic and are realists about how history and human nature continue to define international relations.

The W.TO/GATT advocates are the same financial elite who were responsible for the massive capital transfers to the Third World during the 1970s, which resulted in the Third World debt crisis of the mid-1980s. They shifted the costs of their mistakes onto the backs of American workers and taxpayers, and WTO/GATT manifests the same disdain for Middle America.

Exports are good for our economy, but they presuppose customers who can pay for our products, and most of the rest of the world cannot. Since the Tokyo GAIT round in 1979, cumulative U.S. net exports have had a deficit of $1.4 trillion in merchandise and almost $1 trillion in manufacturing.

California, for example, has a deficit in foreign net exports of more than $20 billion in 1994. Using the Commerce Department's ratio, this means that California's 1994 net export deficit is costing the state about 400,000 jobs this year.

New York, with a $13 billion net export deficit, is losing about 260,000 good jobs. Of course, this puts downward pressure on everyone's wages. The 1994 WTO/GATT legislation will accentuate and accelerate these losses.

Voters may not read Commerce and Labor Department statistics, but they know something is wrong. They may not know how many manufacturing jobs the United States has lost since 1979 (3.2 million), but they know that moving from a manufacturing job to a service job has reduced their family income, and that both spouses are now working harder and enjoying life less.

The U.S. Senate rejected the World Trade Organization in 1947. There are many more compelling reasons for Congress to reject it again today.