Miscoll - 7.

and many others whose jobs and livelihoods are touched by this international explosion of trade.

California currently handles 80% of U.S. trade with the Pacific Rim, and Southern California gets the lion's share of that. It's for these and other reasons that I find the tone of our trade discussions bothersome. I'm distressed as well, by the tone our trade negotiations have taken with our single most important Pacific Rim trading partner, namely our friends in Canada.

Our two countries share an intricately linked economic, demographic and political framework, as well as the longest border between two democratic, industrialized countries. Our discussions over the last two years have touched on both tangibles and intangibles, from lumber to textiles to agricultural products to broadcasting. I'd like to believe that both sides are at the bargaining table in good faith, and looking not only at our respective competitive industries, but also at our role in the entire protectionism debate, as well as our geographical proximity.

The grievances are real and must be addressed, and in so doing will require time and compromise, and probably a one-stepat-a-time philosophy. I don't think we have a choice. It's become trite and a cliche, in a matter of two years, to talk of fair trade if not free trade, and yet as worn out as that expression is becoming, it is still one of the less emotional phrases kicking around in and out of the government today.

We in California and the United States produce a lot of