

December 16, 2004

Honorable J. Dennis Hastert
Speaker
United States House of
Representatives
H-232 Capitol Building
Washington, DC 20515-6501

Honorable Bill Frist
Majority Leader
United States Senate
S-230 Capitol Building
Washington, DC 20510-7010

Dear Speaker Hastert and Senator Frist:

It appears that the United States Coalition for Fair Lumber Imports (“the Coalition”) is mounting a campaign of historical revisionism and character assassination by hiring former Attorneys General of the United States to attack a well-settled legal matter examined not once but twice by the Congress of the United States – the constitutionality of dispute resolution in the North American Free Trade Agreement. We previously responded to a letter addressed to you by Dick Thornburgh, and now feel obliged to respond to a letter of December 1, 2004 written by Griffin Bell.

We begin with disclosure. Mr. Bell’s letter does not state if it is written for a client of Mr. Bell’s law firm. We know his law firm represents Magnesium USA, a Utah company that is one of the worst polluters in the United States. Mr. Bell’s client has managed, manipulating the trade laws, to keep foreign magnesium largely off the American market. U.S. agencies ignored the testimony of General Motors and other U.S. companies dependent on reliable supplies of magnesium in favor of Mr. Bell’s client. Mr. Bell’s client has now lost a decision that took nearly five years to make its way through NAFTA, and here he is complaining that the system has not afforded his client enough protection.

Mr. Bell begins by complaining about panelist conflict of interest. In the fifteen years of panelists named under the Canada-United States Free Trade Agreement and NAFTA, 118 different private citizens have served with honor and distinction on dispute resolution panels, many more than once. Of these 118, three panelists – two Canadians and one American – have been accused of conflicts of interest. All three were accused by the Coalition. All three were accused after the Coalition lost in the judicial process. Two were found, in the last *Softwood Lumber* cases, not to have had conflicts of interest. The third, the American appointed by the United States with the apparent concurrence of the Coalition, will defend himself before an Extraordinary Challenge Committee.

The Coalition, through these two letters, seeks congressional judgment without evidence before the judicial process can rule. Countless letters have been written on behalf of the Coalition, prejudging the regulatory and judicial processes the Coalition has initiated against softwood lumber from Canada, and Mr. Bell’s letter is just another in the apparently endless attempt to politicize judicial procedures and pre-judge outcomes. It should not draw Congress into the judicial process, especially as Mr. Bell has personal interests he has not disclosed in presenting his complaint to you. He should be wary in invoking concerns about “self-dealing.”

Mr. Bell complains to you about the accused American panelist who has served several times at the request of the U.S. and defended himself against a scurrilous attack by special interests bent on destroying the United States’ single most important international trade agreement in this hemisphere. He then proposes a whole recipe of reforms in response to a single-alleged example out of fifteen years of experience, in which the judicial process, we are confident, will vindicate the panelist and dismiss once again the character assassination launched by the Coalition. We urge you to dismiss Mr. Bell’s letter because it misrepresents the facts, seeks to prejudge a judicial process, and fails to disclose self-interests. And we urge you to beware more generally of the Coalition’s campaign.

For more than twenty years, the Coalition has been lobbying on Capitol Hill, inducing revisions of the trade laws in order to gain unfair advantages. No matter how it writes the laws, it loses its claims every time and returns with ever more outrageous demands for relief. These latest letters are more of the same, and merit no consideration.

We appreciate your consideration to our views, and look forward to discussing these matters in more detail.

Sincerely,

Susan E. Petniunas
For Alliance of American Consumers for
Affordable Homes

Participants of Alliance of American Consumers for Affordable Homes:

American Homeowners Grassroots Alliance
Catamount Pellet Fuel Corporation
CHEP
Consumers for World Trade
Fremont Forest Group Corporation
Free Trade Lumber Council
Furniture Retailers of America
Home Depot
International Sleep Products Association
Manufactured Housing Association for Regulatory Reform
Manufactured Housing Institute
National Association of Home Builders
National Black Chamber of Commerce
National Lumber and Building Material Dealers Association
National Retail Federation
Retail Industry Leaders Association
United States Hispanic Contractors Association